

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

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12.4.17

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LLS NO. 18-0543.01 Jennifer Berman x3286

COMMITTEE BILL

Committee on Legal Services

BILL TOPIC: "Relocate Title 12 Racing To New Title 44"

A BILL FOR AN ACT

101 **CONCERNING THE NONSUBSTANTIVE RELOCATION OF LAWS RELATED**
102 **TO THE REGULATION OF RACING FROM TITLE 12, COLORADO**
103 **REVISED STATUTES, TO A NEW TITLE 44 AS PART OF THE**
104 **ORGANIZATIONAL RECODIFICATION OF TITLE 12.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Committee on Legal Services. Current law directs the office of legislative legal services to study the organizational recodification of title 12 of the Colorado Revised Statutes, which relates to professions and

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

occupations. One recommendation of the study is to relocate laws located in title 12 that are administered by the department of revenue to a new title 44, which will consist solely of laws administered by the department of revenue that regulate a variety of activities.

To implement this recommendation, **section 1** of the bill creates title 44 and **section 2** relocates laws related to the regulation of racing from title 12 to the new title. **Section 3** repeals the relocated laws from their current location. **Sections 4 through 22** make conforming amendments necessitated by the relocation of the laws.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** title 44 as follows:

TITLE 44

**ACTIVITIES REGULATED BY THE
DEPARTMENT OF REVENUE**

ARTICLE 1

Common Provisions

44-1-101. Short title. THE SHORT TITLE OF THIS TITLE 44 IS THE "DEPARTMENT OF REVENUE ACTIVITIES REGULATION ACT".

44-1-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) BEFORE THE ENACTMENT OF THIS TITLE 44, LAWS ADMINISTERED BY THE DEPARTMENT OF REVENUE THAT REGULATE A VARIETY OF ACTIVITIES WERE CODIFIED IN TWO TITLES OF THE COLORADO REVISED STATUTES, MOST PROMINENTLY IN TITLE 12, WHICH GOVERNS PROFESSIONS AND OCCUPATIONS;

(b) MOST PROFESSIONS AND OCCUPATIONS ARE REGULATED BY THE DEPARTMENT OF REGULATORY AGENCIES PURSUANT TO TITLE 12, BUT PRIOR TO THE 2017 LEGISLATIVE SESSION, TITLE 12 CONTAINED NUMEROUS

1 LAWS THAT DID NOT PERTAIN TO THE REGULATION OF PROFESSIONS AND
2 OCCUPATIONS AND WERE NOT ADMINISTERED BY THE DEPARTMENT OF
3 REGULATORY AGENCIES;

4 (c) WITH THE ENACTMENT OF SECTION 2-3-510 IN 2016, THE
5 GENERAL ASSEMBLY DIRECTED THE OFFICE OF LEGISLATIVE LEGAL
6 SERVICES TO STUDY AN ORGANIZATIONAL RECODIFICATION OF TITLE 12 OF
7 THE COLORADO REVISED STATUTES, INCLUDING RELOCATING LAWS THAT
8 DO NOT PERTAIN TO PROFESSIONS AND OCCUPATIONS AND ARE NOT
9 ADMINISTERED BY THE DEPARTMENT OF REGULATORY AGENCIES;

10 (d) BASED ON RECOMMENDATIONS FROM THE TITLE 12
11 RECODIFICATION STUDY, THE GENERAL ASSEMBLY ENACTED SEVERAL
12 BILLS IN THE 2017 LEGISLATIVE SESSION TO RELOCATE OUT OF TITLE 12
13 MANY LAWS THAT ARE ADMINISTERED BY ENTITIES OTHER THAN THE
14 DEPARTMENT OF REGULATORY AGENCIES;

15 (e) THE STUDY ALSO RECOMMENDED CREATING A NEW TITLE 44
16 FOR PURPOSES OF CONSOLIDATING LAWS ADMINISTERED BY THE
17 DEPARTMENT OF REVENUE THAT REGULATE ACTIVITIES INTO A SINGLE
18 TITLE IN ORDER TO FACILITATE BOTH:

19 (I) THE PUBLIC'S AND REGULATED ENTITIES' UNDERSTANDING OF
20 THE LAWS THAT APPLY TO THEM; AND

21 (II) THE DEPARTMENT OF REVENUE'S ADMINISTRATION OF THESE
22 LAWS; AND

23 (f) CREATING A NEW TITLE 44 CONSISTING OF LAWS ADMINISTERED
24 BY THE DEPARTMENT OF REVENUE THAT REGULATE VARIOUS ACTIVITIES
25 IS NECESSARY TO IMPLEMENT THE RECOMMENDATIONS OF THE TITLE 12
26 RECODIFICATION STUDY AND FACILITATE THE REORGANIZATION OF TITLE
27 12 PERTAINING TO THE REGULATION OF PROFESSIONS AND OCCUPATIONS.

1 **44-1-103. Definitions.** AS USED IN THIS TITLE 44, UNLESS THE
2 CONTEXT OTHERWISE REQUIRES:

3 (1) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE
4 CREATED IN SECTION 24-1-117.

5 (2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
6 THE DEPARTMENT.

7 **SECTION 2.** In Colorado Revised Statutes, **add with amended**
8 **and relocated provisions** article 32 to title 44 as follows:

9 ARTICLE 32

10 **Racing**

11 PART 1

12 GENERAL PROVISIONS

13 **44-32-101. [Formerly 12-60-101] Legislative declaration.** The
14 general assembly declares that the provisions of this ~~article~~ ARTICLE 32
15 are enacted in the exercise of the police powers of this state for the
16 protection of the health, peace, safety, and general welfare of the people
17 of this state; for the purpose of promoting racing and the recreational,
18 entertainment, and commercial benefits to be derived therefrom; to raise
19 revenue for the general fund; to establish high standards of sport and fair
20 play; for the promotion of the health and safety of the animals involved
21 in racing events; and to foster honesty and fair dealing in the racing
22 industry. To these ends, this ~~article~~ ARTICLE 32 shall be liberally
23 construed.

24 **44-32-102. [Formerly 12-60-102] Definitions - rules.** As used
25 in this ~~article~~ ARTICLE 32, unless the context otherwise requires:

26 (1) "Breakage" means the odd cents by which the amount payable
27 on each dollar wagered in a pari-mutuel pool exceeds a multiple of ten

1 cents.

2 ~~(2) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
3 ~~1583, § 1, effective May 21, 2009.)~~

4 ~~(3) (2) (a)~~ "Class A track" means a track, located within the state
5 of Colorado, at which a race meet of horses is conducted and ~~which~~ THAT
6 is not a class B track.

7 (b) "Class A track" includes a reopening class A track that has not
8 run a meet within the past three years. Such class A track may begin to
9 operate as a simulcast facility after the commission has approved its
10 application for simulcasting and its application for race dates to hold a
11 race meet within the following twelve months. Applications submitted to
12 the commission shall include a provision for the establishment of a purse
13 fund that complies with this ~~article~~ ARTICLE 32 and the rules of the
14 commission.

15 ~~(4) (a) (1)~~ (3) "Class B track" means a track, located within the
16 state of Colorado, at which a race meet of horses, consisting of thirty or
17 more race days, is being conducted or was being conducted during the
18 immediately preceding twelve months.

19 ~~(H) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
20 ~~1583, § 1, effective May 21, 2009.)~~

21 ~~(b) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
22 ~~1583, § 1, effective May 21, 2009.)~~

23 ~~(5) (4)~~ "Commission" means the Colorado racing commission
24 created in part 3 of this ~~article~~ ARTICLE 32.

25 ~~(6) (5)~~ "Cross simulcasting" means the receipt of a simulcast race
26 of greyhounds at an out-of-state host track by a simulcast facility that is
27 located on the premises of a track that is licensed to race horses.

1 ~~(7)~~ (6) "Director" means the director of the division of racing
2 events.

3 ~~(8)~~ (7) "Division" means the division of racing events created in
4 part 2 of this ~~article~~ ARTICLE 32.

5 ~~(9) "Executive director" means the executive director of the~~
6 ~~department of revenue organized as provided in the "Administrative~~
7 ~~Organization Act of 1968", article 1 of title 24, C.R.S.~~

8 ~~(10) Repealed.~~

9 ~~(11)~~ (8) "Horse track" means either a class A track or a class B
10 track.

11 ~~(12)~~ (9) "Host track" means either an in-state host track or an
12 out-of-state host track.

13 ~~(13)~~ (10) "In-state host track" means a track, located within the
14 state of Colorado, at which a race meet of horses is conducted.

15 ~~(14)~~ (11) (a) "In-state simulcast facility" means:

16 (I) A class A or class B horse track at which a licensee has held
17 within the preceding twelve months or is licensed and scheduled to hold
18 within the following twelve months a race meet of at least the duration
19 required of a class A or class B track;

20 ~~(II) Repealed.~~

21 ~~(III) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
22 ~~1583, § 1, effective May 21, 2009.)~~

23 ~~(IV)~~ (II) An additional facility that is operated by and is the
24 responsibility of the licensee of a class B horse track, located in Colorado,
25 and used for the handling of wagers placed on simulcast races received
26 by the track or facility. The number of additional facilities cannot exceed
27 the total number of facilities licensed to hold a race meet in 2003 plus one

1 additional facility per licensee as authorized under this ~~article~~ ARTICLE 32.

2 The additional facilities must be licensed in accordance with section
3 ~~12-60-504~~ 44-32-504 and must not be located within fifty miles of any
4 class B horse track operated by another licensee without the written
5 consent of the other licensee. The commission shall establish by rule the
6 means of obtaining the consent.

7 (b) If an additional facility is jointly owned or operated as a
8 simulcast facility by two or more licensees, ~~such~~ THE additional facility
9 shall be deemed to be one of the additional simulcast facilities of only one
10 of ~~such~~ THE licensees, as designated in writing to the commission.

11 (c) The commission, for good cause, may grant a licensed class A
12 horse track permission to receive simulcast races at an alternate location
13 within five miles of its track during the times when the track is not in
14 operation.

15 ~~(15)~~ (12) "Interstate common pool" means a pari-mutuel pool
16 established at one location, usually but not necessarily at a host track,
17 within which pool are combined comparable pari-mutuel pools of one or
18 more simulcast facilities upon a race run at the host track for purposes of
19 establishing payoff prices in the various states. There may be simulcast
20 facilities in more than one state simultaneously combining pari-mutuel
21 pools into the common pool of the host track. Where permitted by the
22 laws and rules of the states in which the host track and the simulcast
23 facilities are located and with the concurrence of the host track, the
24 combined pari-mutuel pool may be established on a regional or other
25 basis between two or more simulcast facilities and need not involve a
26 merger into the host track's pari-mutuel pool. In such instances, one of the
27 simulcast facilities shall serve as if it were the host track for the purposes

1 of holding the common pool and calculating payoffs. The interstate
2 common pool shall be as specified in the written simulcast racing
3 agreement between the host track and the person operating the simulcast
4 facility receiving ~~such~~ THE simulcast races.

5 ~~(16)~~ (13) "Intrastate common pool" means a pari-mutuel pool,
6 established for an in-state host track, ~~which~~ THAT includes wagers made
7 at the in-state host track as well as wagers made at in-state simulcast
8 facilities on simulcast races of live races run at the in-state host track.

9 ~~(17)~~ (14) "Licensee" means any person holding a current, valid
10 race meet license issued pursuant to ~~section 12-60-505~~ SECTION
11 44-32-505 and any person holding a current, valid license or registration
12 issued by the commission pursuant to ~~section 12-60-503~~ SECTION
13 44-32-503 and ~~section 12-60-504~~ SECTION 44-32-504. The commission,
14 by rule, shall determine which occupational categories shall be licensed
15 and which shall be registered. Except in connection with the licensing of
16 race meets, the term "license" includes a registration and "applicant"
17 includes an applicant for a registration.

18 ~~(18)~~ (15) "Out-of-state host track" means a track, located within
19 a state other than Colorado, ~~which~~ THAT is licensed or otherwise properly
20 authorized under the laws of ~~such~~ THE state to conduct live races of
21 horses or greyhounds and to broadcast ~~such~~ THE races as simulcast races
22 and ~~which~~ THAT broadcasts ~~such~~ THE simulcast races to an in-state
23 simulcast facility.

24 ~~(19)~~ (16) "Out-of-state simulcast facility" means a track or other
25 facility, located within a jurisdiction other than Colorado, at which
26 pari-mutuel wagers are placed or accepted, either in person or
27 electronically, on simulcast races pursuant to proper authorization under

1 the laws of ~~such~~ THE jurisdiction.

2 ~~(20)~~ (17) "Pari-mutuel pool" means a wagering pool into which
3 pari-mutuel wagers on a live race or on a simulcast race are taken.

4 ~~(20.5)~~ (18) "Pari-mutuel wagering" means a form of wagering on
5 the outcome of horse and greyhound races in which those who wager
6 purchase tickets of various denominations on one or more horses or
7 greyhounds from one or more pools and all like wagers from each race
8 are pooled and the winning ticket holders are paid prizes from ~~such~~ THE
9 pool in amounts proportional to the total receipts in the pool minus
10 deductions authorized by statute.

11 ~~(21)~~ (19) "Person" means any individual, partnership, firm,
12 corporation, or association.

13 ~~(22)~~ (20) "Race meet" means any live exhibition of racing
14 involving horses registered within their breed, conducted at a track
15 located within the state of Colorado and operated by a licensee under a
16 license granted pursuant to ~~section 12-60-505~~ SECTION 44-32-505, where
17 the pari-mutuel system of wagering is used.

18 ~~(23)~~ (21) "Simulcast facility" means either an in-state simulcast
19 facility or an out-of-state simulcast facility.

20 ~~(24)~~ (22) "Simulcast race" means a live, audio-visual broadcast,
21 transmitted simultaneously with either the performance of a live race of
22 horses or greyhounds by an out-of-state host track or the performance of
23 a live race of horses by an in-state host track, that is received by a
24 simulcast facility.

25 ~~(25) Repealed.~~

26 ~~(25.5)~~ (23) "Source market fee" means a licensing fee, assessed
27 by the director pursuant to ~~section 12-60-202 (3)(h)~~ SECTION 44-32-202

1 (3)(h), in lieu of taxes and fees otherwise payable under this article
2 ARTICLE 32, payable by persons outside of Colorado who conduct
3 pari-mutuel wagering on simulcast races and who accept wagers from
4 Colorado residents at out-of-state simulcast facilities.

5 ~~(26)~~ (24) "Track" or "racetrack" means a track that is located
6 within the state of Colorado and at which a race meet of horses is
7 conducted under a license granted pursuant to ~~section 12-60-505~~ SECTION
8 44-32-505.

9 **44-32-103. [Formerly 12-60-103] Division and commission**
10 **subject to termination.** The provisions of section 24-34-104 ~~C.R.S.~~,
11 concerning the termination schedule for regulatory bodies of the state,
12 unless extended as provided in that section, are applicable to the division
13 of racing events created by section ~~12-60-201~~ 44-32-201 and the
14 Colorado racing commission created by section ~~12-60-301~~ 44-32-301.

15 PART 2

16 DIVISION OF RACING EVENTS

17 **44-32-201. [Formerly 12-60-201] Division of racing events -**
18 **creation - representation - rules.** (1) There is hereby created, within the
19 department, ~~of revenue~~, the division of racing events, the head of which
20 shall be the director of the division of racing events. The director shall be
21 appointed by, and shall be subject to removal by, the executive director
22 of the department. ~~of revenue~~. The division of racing events, the Colorado
23 racing commission created in ~~section 12-60-301~~ SECTION 44-32-301, and
24 the director of the division of racing events shall exercise their respective
25 powers and perform their respective duties and functions as specified in
26 this ~~article~~ ARTICLE 32 under the department ~~of revenue~~ as if the same
27 were transferred to the department by a **type 2** transfer, as such transfer

1 is defined in the "Administrative Organization Act of 1968", article 1 of
2 title 24; ~~C.R.S.~~; except that the commission shall have full and exclusive
3 authority to promulgate rules related to racing without any approval by,
4 or delegation of authority from, the department. ~~of revenue.~~

5 (2) The division shall make investigations and shall request the
6 commission or the district attorney of any district, as appropriate, to
7 prosecute, on behalf of and in the name of the division, suits and
8 proceedings for any of the purposes necessary and proper for carrying out
9 the functions of the division.

10 **44-32-202. [Formerly 12-60-202] Director - qualifications -**

11 **powers and duties -rules.** (1) The director shall be qualified by training
12 and experience to direct the work of the division; and, notwithstanding
13 the provisions of section 24-5-101, ~~C.R.S.~~, shall be of good character and
14 shall not have been convicted of any felony or gambling-related offense.

15 (2) The director shall not engage in any other profession or
16 occupation that could present a conflict of interest with the director's
17 duties as director of the division.

18 (3) The director, as administrative head of the division, shall
19 direct and supervise all administrative and technical activities of the
20 division. In addition to the duties imposed upon the director elsewhere in
21 this ~~article~~ ARTICLE 32, it shall be the director's duty:

22 (a) To investigate, supervise, and administer the conduct of racing
23 in accordance with the provisions of this ~~article~~ ARTICLE 32 and the rules
24 of the commission;

25 (b) To attend meetings of the commission or to appoint a designee
26 to attend in the director's place;

27 (c) To employ and direct ~~such~~ personnel as may be necessary to

1 carry out the purposes of this ~~article~~ ARTICLE 32, but no person shall be
2 employed who has been convicted of a felony or gambling-related
3 offense, notwithstanding the provisions of section 24-5-101. ~~C.R.S.~~ The
4 director by agreement may secure and provide payment for such services
5 as the director may deem necessary from any department, agency, or unit
6 of the state government and may employ and compensate such
7 consultants and technical assistants as may be required and as otherwise
8 permitted by law. Personnel employed by the director shall include but
9 shall not be limited to a sufficient number of veterinarians, as defined in
10 the "Colorado Veterinary Practice Act", article 64 of ~~this title~~ TITLE 12,
11 so that at least one veterinarian employed by the director, or by the
12 operator, as provided in ~~section 12-60-705 (1)~~ SECTION 44-32-706 (1),
13 shall be present at every racetrack during weighing in of animals and at
14 all times that racing is being conducted; and the director shall by rule
15 authorize any such veterinarian to conduct physical examinations of
16 animals, including without limitation blood and urine tests and other tests
17 for the presence of prohibited drugs or medications, to ensure that the
18 animals are in proper physical condition to race, to prohibit any animal
19 from racing if it is not in proper physical condition to race, and to take
20 other necessary and proper action to ensure the health and safety of racing
21 animals and the fairness of races.

22 (d) To confer, as necessary or desirable and not less than once
23 each quarter, with the commission on the conduct of racing;

24 (e) To make available for inspection by the commission or any
25 member of the commission, upon request, all books, records, files, and
26 other information and documents of the director's office;

27 (f) To advise the commission and recommend such rules and such

1 other matters as the director deems necessary and advisable to improve
2 the conduct of racing;

3 (g) To make a continuous study and investigation of the operation
4 and the administration of similar laws ~~which~~ THAT may be in effect in
5 other states or countries, any literature on the subject ~~which~~ THAT from
6 time to time may be published or available, any federal laws ~~which~~ THAT
7 may affect the conduct of racing, and the reaction of Colorado citizens to
8 existing and potential features of racing events in Colorado with a view
9 to recommending or effecting changes that will tend to serve the purposes
10 of this ~~article~~ ARTICLE 32;

11 (h) To establish and adjust fees for all licenses and registrations
12 issued pursuant to this ~~article~~ ARTICLE 32 in an amount sufficient to
13 generate revenue that approximates the direct and indirect cost of
14 administering this ~~article~~ ARTICLE 32; except that an increase of more than
15 ten percent in the fee for an occupational license or registration shall be
16 subject to ratification by the commission. ~~Such~~ THE fees shall be credited
17 to the racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205.

18 (i) To perform any other lawful acts ~~which~~ THAT the director and
19 the commission may consider necessary or desirable to carry out the
20 purposes and provisions of this ~~article~~ ARTICLE 32.

21 ~~(4) Repealed.~~

22 ~~(5)~~ (4) If so directed by the commission, the director may, on
23 behalf of this state:

24 (a) Negotiate, enter into, and participate in one or more interstate
25 compacts that enable party states to act jointly and cooperatively to create
26 more uniform, effective, and efficient practices, programs, and rules
27 relating to:

1 (I) Live horse and greyhound racing; and
2 (II) Pari-mutuel wagering activities, both on-track and off-track,
3 that occur in or affect a party state;

4 (b) Serve as this state's authorized representative on a commission
5 to negotiate one or more interstate compacts as described in ~~paragraph (a)~~
6 ~~of this subsection (5)~~ SUBSECTION (4)(a) OF THIS SECTION. If the compact
7 commission undertakes to promulgate rules to be adopted by party states,
8 the director shall endeavor to ensure that the process by which the rules
9 are promulgated conforms substantially to the model state administrative
10 procedure act of 1981, as amended, insofar as the terms of the model act
11 are appropriate to the actions and operations of the compact commission.

12 **44-32-203. [Formerly 12-60-203] Investigators - peace officers.**

13 (1) All investigators of the division of racing events, including the
14 director and the executive director, shall for purposes of enforcement of
15 this ~~article~~ ARTICLE 32 be considered peace officers as described in
16 sections 16-2.5-101 and 16-2.5-126. ~~C.R.S.~~

17 (2) Nothing in this section shall be construed to prohibit local
18 sheriffs, police departments, and other local law enforcement agencies or
19 the Colorado bureau of investigation from enforcing the provisions of this
20 ~~article~~ ARTICLE 32 or rules promulgated pursuant to this ~~article~~ ARTICLE
21 32, or from performing their other duties to the full extent permitted by
22 law. All such sheriffs, police officers, district attorneys, other local law
23 enforcement agencies, or the Colorado bureau of investigation shall have
24 all the powers set forth in subsection (1) of this section.

25 **44-32-204. [Formerly 12-60-204] Board of stewards or judges.**

26 The division shall establish a board of three stewards or judges to assist
27 in supervising the conduct of any race meet. Two members of the board

1 of stewards or judges shall be employees of the division. The remaining
2 member shall be an employee of the track at which the race meet is held,
3 shall be subject to the approval of the commission, and may be removed
4 by the commission at any time for any reason ~~which~~ THAT the
5 commission deems good and sufficient.

6 **44-32-205. [Formerly 12-60-205] Racing cash fund.** (1) The
7 racing cash fund is hereby established in the state treasury. Subject to
8 appropriation by the general assembly, the division shall use the ~~moneys~~
9 MONEY in the racing cash fund for the direct and indirect costs of
10 administering this ~~article~~ ARTICLE 32.

11 (2) ~~Moneys~~ MONEY in the racing cash fund at the end of any fiscal
12 year shall remain in the racing cash fund and shall not revert to the
13 general fund or any other fund. The racing cash fund shall be maintained
14 in accordance with section 24-75-402. ~~C.R.S.~~

15 PART 3

16 COLORADO RACING COMMISSION

17 **44-32-301. [Formerly 12-60-301] Racing commission -**
18 **creation.** (1) There is hereby created, within the division of racing
19 events, the Colorado racing commission. The commission shall consist of
20 five members, all of whom shall be citizens of the United States and shall
21 have been residents of this state for the past five years. The members shall
22 be appointed by the governor, with the consent and approval of the
23 senate. No member shall have been convicted of a felony or
24 gambling-related offense, notwithstanding the provisions of section
25 24-5-101. ~~C.R.S.~~ No more than three of the five members shall be
26 members of the same political party. At the first meeting of each fiscal
27 year, a chair and vice-chair of the commission shall be chosen from the

1 membership by a majority of the members. Membership and operation of
2 the commission shall additionally meet the following requirements:

3 (a) Two members of the commission shall have been previously
4 engaged in the racing industry for at least five years; one member shall be
5 a practicing veterinarian who is currently licensed in Colorado and has
6 been so licensed for not less than five years; one member shall have been
7 engaged in business in a management-level capacity for at least five
8 years; and one member shall be a registered elector of the state who is not
9 employed in any profession or industry otherwise described in this
10 ~~paragraph (a)~~ SUBSECTION (1)(a); however, no more than two members
11 of the commission shall be from the same congressional district, and one
12 member of the commission shall be from west of the continental divide.

13 (b) Initial members shall be appointed to the commission by the
14 governor as follows: One member to serve until July 1, 1993, one member
15 to serve until July 1, 1994, one member to serve until July 1, 1995, and
16 two members to serve until July 1, 1996. All subsequent appointments
17 shall be for terms of four years. No member of the commission shall be
18 eligible to serve more than two consecutive terms.

19 (c) Any vacancy on the commission shall be filled for the
20 unexpired term in the same manner as the original appointment. The
21 member appointed to fill ~~such~~ THE vacancy shall be from the same
22 category described in ~~paragraph (a) of this subsection (1)~~ SUBSECTION
23 (1)(a) OF THIS SECTION as the member vacating the position.

24 (d) Any member of the commission may be removed by the
25 governor at any time.

26 (e) The term of any member of the commission who misses more
27 than two consecutive regular commission meetings without good cause

1 shall be terminated and ~~such~~ THE member's successor shall be appointed
2 in the manner provided for appointments under this section.

3 (f) Commission members shall be reimbursed for necessary travel
4 and other reasonable expenses incurred in the performance of their
5 official duties.

6 (g) Prior to confirmation by the senate, each member shall file
7 with the secretary of state a financial disclosure statement in the form
8 required and prescribed by the executive director. ~~Such~~ THE statement
9 shall be renewed as of each January 1 during the member's term of office.

10 (h) The commission shall hold at least one meeting each quarter
11 and such additional meetings as may be prescribed by rules of the
12 commission. In addition, special meetings may be called by the chair, any
13 two commission members, or the director, if written notification of ~~such~~
14 THE meeting is delivered to each member at least seventy-two hours prior
15 to ~~such~~ THE meeting. Notwithstanding section 24-6-402, ~~C.R.S.~~, in
16 emergency situations in which a majority of the commission certifies that
17 exigencies of time require that the commission meet without delay, the
18 requirements of public notice and of seventy-two hours' actual advance
19 written notice to members may be dispensed with, and commission
20 members as well as the public shall receive such notice as is reasonable
21 under the circumstances. Any action by the commission during such
22 emergency meetings shall be limited to those issues relating to the
23 emergency situation for which the meeting was called.

24 (i) A majority of the commission shall constitute a quorum, but
25 the concurrence of a majority of the members appointed to the
26 commission shall be required for any final determination by the
27 commission.

1 **44-32-302. [Formerly 12-60-302] Organization and officers -**
2 **duties - representation.** (1) All ~~moneys~~ MONEY payable to and collected
3 by the department of ~~revenue~~ through the division shall be transmitted to
4 the state treasurer. The state treasurer shall credit the same to the general
5 fund except for ~~those moneys~~ THE MONEY required by this ~~article~~ ARTICLE
6 32 to be deposited in the racing ~~commission~~ cash fund.

(2) The commission shall maintain an office within the state and shall keep detailed records of all its meetings and of all the business transacted and of all the collections and disbursements. Publications of the commission circulated in quantity outside the executive branch shall be issued in accordance with the provisions of section 24-1-136. ~~C.R.S.~~

(3) The attorney general shall provide legal services for the division and the commission at the request of the executive director, the director, or the commission. The attorney general shall make reasonable efforts to ensure that there is continuity in the legal services provided and that the attorneys providing legal services to the division and the commission have expertise in ~~such~~ THE field.

18 PART 4

19 CONFLICT OF INTEREST

20 **44-32-401. [Formerly 12-60-401] Director and commission**
21 **members - position of trust - conflicts of interest.** (1) Appointment to
22 the commission or to the position of director or employment in the
23 division of racing events is a position of public trust, and therefore, in
24 order to ensure the confidence of the people of the state in the integrity of
25 the division and the commission, the director and members of the
26 commission and the employees of the division are subject to this section.
27 While serving as director or as a member of the commission or while

1 employed by the division, no person nor any member of the person's
2 immediate family shall:

3 (a) Hold any pecuniary interest in any racetrack operating within
4 the state of Colorado nor in any stable, compound, or farm that houses
5 animals licensed or registered to race within the state of Colorado;

6 (b) Wager money or any other chattel of value on the result of any
7 race or race meet or sweepstakes conducted within the state of Colorado
8 or conducted outside the state and simulcast into the state;

9 (c) Hold any pecuniary interest in any out-of-state host track or
10 derive any pecuniary benefit from the racing of any animal at ~~such~~ THE
11 track;

12 (d) Hold more than a five percent interest in any entity doing
13 business with a track; or

14 (e) Have any interest of any kind in a license issued pursuant to
15 this ~~article~~ ARTICLE 32, nor have any interest, direct or indirect, including
16 employment, in any licensee, licensed premises, establishment, or
17 business involved in or with pari-mutuel wagering.

18 (2) Failure to comply with the provisions of this section shall be
19 grounds for removal from office.

20 (3) For purposes of this section, "immediate family" means a
21 person's spouse and any children actually living with the person.

22 PART 5

23 LICENSING AND REGISTRATION

24 **44-32-501. [Formerly 12-60-501] Regulation of race meets and**
25 **racing-related businesses.** (1) (a) The commission shall license and
26 regulate all race meets with pari-mutuel wagering held in this state at
27 which horses participate, and shall cause the places where the race meets

1 are held to be visited and inspected at least once a year by its members or
2 employees, and shall require all places to be constructed, maintained, and
3 operated in accordance with the laws of this state and the rules of the
4 commission.

5 (b) The commission shall license and regulate all kennels and
6 stables housing racing animals in connection with a race meet, shall cause
7 ~~such~~ THE kennels and stables to be visited and inspected at least once a
8 year by its members or employees, and shall require all such places to be
9 constructed, maintained, and operated in accordance with the laws of this
10 state and the rules of the commission.

11 (2) (a) In particular, the commission shall, at its own expense,
12 regulate the operations of pari-mutuel machines and equipment, the
13 operations of all money rooms, accounting rooms, and sellers' and
14 cashiers' windows, and the weighing of jockeys, and shall take or cause
15 to be taken saliva, urine, blood, or other body fluid samples or biopsy or
16 necropsy specimens from horses selected by the commission or its
17 employees at race meets provided for under this ~~article~~ ARTICLE 32 or
18 when concerns are raised as to a particular animal, including the winner
19 of a race, and shall test and determine the samples or specimens or cause
20 the samples or specimens to be tested and determined. For those purposes,
21 the commission, at its expense and in addition to other employees, shall
22 employ or contract with competent veterinary doctors, accountants,
23 chemists, and other persons necessary to supervise the conduct of race
24 meets and to ascertain that this ~~article~~ ARTICLE 32 and the rules of the
25 commission are strictly complied with. The commission shall also seek
26 innovative and efficient methods of testing animals for prohibited drugs
27 and medication, while ensuring animal safety and maintaining the

1 integrity of racing. Through its bidding process, the commission shall
2 invite laboratories to include proposals for testing procedures and
3 methods that would maintain or improve the effectiveness of test results
4 and minimize testing cost incurred by the state or the racing industry.

5 (b) The commission shall establish and require compliance with
6 internal control procedures for licensees, including accounting and
7 reporting procedures.

8 (c) The commission shall license and regulate persons who
9 manufacture or operate totalisators and shall require all totalisators to be
10 manufactured, maintained, and operated in accordance with the laws of
11 this state and rules of the commission.

12 (d) The commission may license and regulate persons outside of
13 Colorado who conduct pari-mutuel wagering on simulcast races and who
14 accept wagers from Colorado residents at out-of-state simulcast facilities,
15 and shall require out-of-state simulcast facilities to be maintained and
16 operated in accordance with the laws of this state and rules of the
17 commission. Source market fees imposed on persons licensed under this
18 ~~paragraph (d)~~ SUBSECTION (2)(d) shall not exceed ten percent of the gross
19 receipts of all pari-mutuel wagering by Colorado residents conducted by
20 ~~such~~ THE persons at out-of-state simulcast facilities.

21 (3) The commission shall license and regulate all in-state
22 simulcast facilities conducting pari-mutuel wagering and shall require all
23 such in-state simulcast facilities to be maintained and operated in
24 accordance with the laws of this state and rules of the commission.

25 (4) The commission shall, at its own expense, specifically regulate
26 the operation by in-state simulcast facilities of pari-mutuel machines and
27 equipment, the operation of all money and accounting facilities, and the

1 operation of sellers' and cashiers' windows and ensure that the in-state
2 simulcast facility is handling wagering as part of the pari-mutuel system
3 of the appropriate track or simulcast facility and as part of the appropriate
4 pari-mutuel pool, as designated in ~~section 12-60-703~~ SECTION 44-32-703.
5 For such purposes, the commission, at its own expense, and in addition
6 to other employees, shall employ the competent personnel necessary to
7 supervise the wagering through in-state simulcast facilities and to
8 ascertain that this ~~article~~ ARTICLE 32 and the rules of the commission are
9 strictly complied with.

10 (5) A licensed track or its additional facility may be used for
11 nonracing events upon advance notice to the commission, subject to the
12 authority of the commission and the division to take all measures
13 reasonably necessary to ensure that ~~such~~ THE nonracing events do not
14 interfere with the safe and proper conduct of racing or the suitability of
15 the track for racing.

16 **44-32-502. [Formerly 12-60-502] Delegation of authority to**
17 **issue certain licenses and registrations - rules.** The commission shall
18 delegate to the division the authority to issue all business and
19 occupational licenses and registrations contemplated in this ~~article~~
20 ARTICLE 32, and shall promulgate rules containing standards for ~~such~~ THE
21 delegation. The commission shall not delegate its duty to issue or renew
22 race meet licenses.

23 **44-32-503. [Formerly 12-60-503] Rules of commission -**
24 **licensing.** (1) (a) The commission shall make reasonable rules for the
25 control, supervision, fingerprinting, identification, and direction of
26 applicants, registrants, and licensees, including rules providing for the
27 supervising, disciplining, suspending, fining, and barring from racing of

1 all persons required to be licensed or registered by this ~~article~~ ARTICLE 32
2 and for the holding, conducting, and operating of all races, race meets,
3 racetracks, in-state simulcast facilities, and out-of-state wagering on
4 simulcast races conducted pursuant to this ~~article~~ ARTICLE 32. It shall
5 announce the place, time, number of races per day, duration of race
6 meets, as provided in ~~section 12-60-603~~ SECTION 44-32-603, and types of
7 race meets.

8 (b) The commission may issue a temporary license or registration
9 for up to a maximum of ninety days for any license or registration
10 authorized under this ~~article~~ ARTICLE 32.

11 (2) ~~(a)~~ Every person holding a license or registration under this
12 ~~article~~ ARTICLE 32, every person operating an in-state simulcast facility,
13 and every owner or trainer of any horse entered in a racing contest under
14 this ~~article~~ ARTICLE 32 shall comply with the commission's rules and
15 orders. It is unlawful for a person to work upon the premises of a
16 racetrack without first obtaining from the commission a license or
17 registration under this ~~article~~ ARTICLE 32; except that the commission may
18 waive this licensing or registration requirement for occupational
19 categories that the commission, in its discretion, deems unnecessary to be
20 licensed or registered. This licensing or registration requirement does not
21 apply to the members of the commission or its employees or to persons
22 whose only participation is individually as spectator or bettor. It is
23 unlawful for a person who owns or leases a racing animal to allow the
24 animal to race in this state without first obtaining an owner's license or
25 registration from the commission, as prescribed by the rules of the
26 commission. The commission may extend the validity of a license issued
27 for a period not to exceed three years, and the fee for the license shall be

1 increased proportionately; except that no temporary license or registration
2 may be issued for a period longer than ninety days. It is unlawful for a
3 person to hold a race meet with pari-mutuel wagering without obtaining
4 a license for pari-mutuel wagering. It is unlawful for a person to operate
5 an in-state simulcast facility unless that person is a licensee that has been
6 licensed within the year to hold a race meet or is a licensee that has a
7 written simulcast racing agreement with the in-state host track or
8 out-of-state host track from which the simulcast race is broadcast and has
9 filed a copy of the written simulcast racing agreement with the
10 commission before operating as an in-state simulcast facility.

11 ~~(b) (Deleted by amendment, L. 93, p. 1210, § 1, effective July 1,~~
12 ~~1993.)~~

13 (3) No person holding a license under this ~~article~~ ARTICLE 32 shall
14 extend credit to another person for participation in pari-mutuel wagering.

15 (4) With the submission of an application for a license granted
16 pursuant to this ~~article~~ ARTICLE 32, each applicant shall submit a set of
17 fingerprints to the commission. The commission shall forward ~~such~~ THE
18 fingerprints to the Colorado bureau of investigation for the purpose of
19 conducting a state and national fingerprint-based criminal history record
20 check utilizing records of the Colorado bureau of investigation and the
21 federal bureau of investigation. Only the actual costs of ~~such~~ THE record
22 check shall be borne by the applicant. Nothing in this subsection (4) shall
23 preclude the commission from making further inquiries into the
24 background of the applicant.

25 **44-32-504. [Formerly 12-60-504] Business licenses.** (1) Every
26 application for a business license, excluding applications for initial or
27 renewal race meet licenses pursuant to ~~sections 12-60-505 and 12-60-511~~

1 SECTIONS 44-32-505 AND 44-32-512, shall be made under oath and filed
2 with the commission and shall set forth ~~such~~ THE information as the rules
3 of the commission may require in connection with the application.

4 (2) To determine whether a license shall be granted, the
5 commission shall have the right to examine the financial and other
6 records of the applicant and to compel the production of records and
7 documents.

8 (3) The commission has discretion to grant or deny a business
9 license if it finds that any applicant or any of the directors, officers, or
10 original stockholders of a corporate applicant have violated any of the
11 provisions of this ~~article~~ ARTICLE 32 or any rules of the commission, or
12 failed to pay any of the sums required under this ~~article~~ ARTICLE 32, or as
13 it determines, from ~~such~~ THE application, the character, financial ability,
14 and experience of each individual applicant or the officers and director of
15 each corporate applicant to be for the best interests of the state and the
16 racing industry.

17 (4) When conducting investigations pursuant to this section, to the
18 extent possible, the commission shall utilize investigative information of
19 other state racing jurisdictions. The commission may investigate an
20 existing licensee who is seeking to acquire ownership of another existing
21 license.

22 (5) Any unexpired license held by any person who has been
23 convicted by the commission of violating any of the provisions of this
24 ~~article~~ ARTICLE 32 or any rule of the commission, or who has willfully or
25 fraudulently made any false statement in any application for a license, or
26 who fails to pay to the commission any and all sums required under the
27 provisions of this ~~article~~ ARTICLE 32 is subject to cancellation or

1 revocation by the commission.

2 (6) The commission shall have the power to issue subpoenas for
3 the appearance of persons and the production of documents and other
4 things in connection with applications before the commission or in the
5 conduct of investigations.

6 **44-32-505. [Formerly 12-60-505] Meet licenses.** (1) Every
7 initial application for a license to hold race meets under this ~~article~~
8 ARTICLE 32 shall be made under oath and shall be filed with the
9 commission on or before a day fixed by the commission and shall set
10 forth the time, the place, and the number of days ~~such~~ THE meet shall
11 continue; the kind of racing proposed to be conducted; the full name and
12 address of the applicant and, if a corporation, the names and addresses of
13 all of its officers and directors and all of the holders of each class of its
14 stock and the amount of stock of each class so owned by each
15 stockholder; the location of the racetrack and whether the ~~same~~
16 RACETRACK is owned or leased; the names and residences of the owners
17 of all property leased by ~~such~~ THE applicant; a statement of the assets and
18 liabilities of ~~such~~ THE applicant; a description of the qualifications and
19 experience of the applicant if an individual or of its officers and directors
20 if a corporation; a full disclosure of all holding or intermediary companies
21 associated with the applicant, as well as their shareholders, all contracts
22 that relate to the race meet, audited balance sheets of corporate applicants,
23 excluding nonprofit associations, and the terms and conditions of all
24 contracts by which the applicant has received credit; a description of the
25 land uses within a radius of two miles of the establishment in which ~~such~~
26 THE race meet is proposed to be conducted; and ~~such~~ THE incidental
27 information as the rules of the commission may require in connection

1 with the application.

2 (2) Upon the filing of ~~such~~ THE application, the commission shall
3 fix a date for a hearing on the application, and ~~said~~ THE applicant shall
4 give public notice of the time and place of ~~such~~ THE hearing by
5 publication in one issue of a daily or weekly newspaper of general
6 circulation in the area in which it is proposed to conduct ~~such~~ THE race
7 meet and by posting on the site of ~~such~~ THE proposed race meet a notice,
8 in form and size to be determined by the commission, that ~~such~~ THE
9 application has been filed and the date and place of the hearing thereon.
10 At the time and place mentioned in ~~said~~ THE notice, the commission shall
11 conduct a public hearing at which evidence for and against the granting
12 of the application may be presented.

13 (3) Except as otherwise limited by the provisions of this ~~article~~
14 ARTICLE 32, in considering an application for a license under this section,
15 the commission may give consideration to the number of licenses already
16 granted, and to the location of tracks previously licensed, and to the
17 sentiments and character of the community in which the proposed race
18 meets are to be conducted, and to the ability, character, and experience of
19 each individual applicant or the officers and directors of each corporate
20 applicant. The commission may require of every applicant for a license
21 to hold a race meet, except a public nonprofit association, nonprofit
22 corporation, or nonprofit fair, including the Colorado state fair and all
23 county fairs, who has not, within five years prior to making an application
24 for a license to hold a race meet, operated a race meet in the county, city,
25 or city and county in which it is proposed to hold ~~such~~ THE race meet, a
26 recommendation in writing of the board of county commissioners of ~~said~~
27 THE county in the event the race meet is to be held in unincorporated

1 areas of ~~said~~ THE county or of the governing board of a city or city and
2 county if the proposed race meet is to be held within a city or city and
3 county. The commission may take ~~such~~ THE recommendation into
4 consideration before granting or refusing ~~such licenses~~ THE LICENSE. The
5 commission may deny a license to operate a new racetrack to a person
6 who is already licensed to operate a racetrack within this or any other
7 state if, in the opinion of the commission, the granting of ~~such~~ THE license
8 would discourage legitimate competition from other qualified applicants.
9 The commission shall investigate any applicant and shall require the
10 applicant to pay the actual cost of investigating the application as part of
11 the fees and costs imposed pursuant to ~~section 12-60-506~~ SECTION
12 44-32-506. The applicant shall advance the ~~moneys~~ MONEY necessary for
13 the investigation to the commission, and the commission shall return any
14 unused portion of ~~such moneys~~ THE MONEY to the applicant at the
15 conclusion of the commission's investigation. The advance of ~~such~~
16 ~~moneys~~ THE MONEY may either be made directly to the commission or the
17 ~~moneys~~ MONEY may be deposited into escrow in a manner approved by
18 the commission.

19 (4) The commission may grant or refuse licenses to conduct race
20 meets under this ~~article~~ ARTICLE 32 as it determines, from ~~such~~ THE
21 application, the character, financial ability, and experience of each
22 individual applicant or the officers and directors of each corporate
23 applicant, the sentiments of the community and the character of the area
24 wherein it is proposed to conduct ~~such~~ THE race meets, and the evidence
25 presented at ~~such~~ THE hearing, to be for the best interests of the state, the
26 racing industry, and the area in which it is proposed to conduct ~~such~~ THE
27 race meets.

1 (5) The commission has discretion to grant or deny a race meet
2 license if it finds that any applicant has, or any of the directors, officers,
3 or original stockholders of a corporate applicant have, violated any of the
4 provisions of this ~~article~~ ARTICLE 32 or any rules of the commission or
5 failed to pay any of the sums required under this ~~article~~ ARTICLE 32.

6 (6) Every license issued under this ~~article~~ ARTICLE 32 shall specify
7 the number of days ~~said~~ THE licensed race meet shall continue and the
8 number of races per day. No license shall be granted to any individual
9 who is not a bona fide resident of Colorado nor to any foreign
10 corporation. Every applicant shall agree that, if granted a license under
11 this ~~article, such~~ ARTICLE 32, THE applicant will not thereafter sell,
12 mortgage, or otherwise pledge or dispose of any of the assets listed and
13 described on the application for a license or a renewal license without
14 thirty days' prior notice to the commission, which may approve or
15 disapprove the disposition of assets upon good cause shown. The charter
16 of all corporate applicants shall contain a provision that, when a
17 cumulative ten percent or more of the voting stock of ~~such~~ THE
18 corporation is to be sold, mortgaged, or otherwise pledged or transferred,
19 thirty days' prior notice shall be given to the commission. The corporation
20 shall pay an investigation fee to the commission as part of the fees and
21 costs imposed pursuant to ~~section 12-60-506~~ SECTION 44-32-506. The
22 commission shall approve or disapprove of the disposition of ~~such~~ THE
23 stock, upon good cause shown, within ninety days of ~~such~~ THE filing of
24 a completed application for transfer. The commission has the power to
25 ascertain if any capital stock of any corporate applicant or licensee is held
26 with the intent to mislead or deceive the commission for an undisclosed
27 principal. The involvement of an undisclosed principal shall be grounds

1 for the denial, suspension, or revocation of a license.

2 (7) Upon petition by the licensee and a finding by the commission
3 that it is impossible or impractical for a licensee, because of fire or act of
4 God or other unforeseeable emergency not caused or participated in by
5 the licensee, to conduct a race meet upon the dates allocated or upon a
6 racetrack designated by the commission to the licensee, other dates and
7 locations may be substituted and granted to the licensee. A licensee so
8 petitioning may be granted the right to lease and utilize any other
9 licensee's facilities for the term of the petitioning licensee's annual permit
10 or any portion thereof, but ~~said~~ THE grant shall not be construed to allow
11 any licensee more days of racing in any year than are prescribed by this
12 ~~article~~ ARTICLE 32.

13 (8) When conducting investigations pursuant to subsections (3)
14 and (6) of this section, to the extent possible, the commission shall utilize
15 investigative information of other state racing jurisdictions. The
16 commission may investigate an existing licensee who is seeking to
17 acquire ownership of another existing license to conduct race meets.

18 **44-32-506. [Formerly 12-60-506] Application - fee - waiver of**
19 **confidentiality.** (1) In connection with the issuance of licenses or
20 registrations, the commission shall establish investigation and application
21 fees, which fees shall be credited to the racing cash fund created in
22 ~~section 12-60-205~~ SECTION 44-32-205.

23 (2) The application form created by the commission shall include
24 a waiver of any right of confidentiality and a provision ~~which~~ THAT
25 allows the information contained in the application to be accessible to law
26 enforcement agents of this or any other state or the government of the
27 United States. The waiver of confidentiality shall extend to any financial

1 or personnel record, wherever maintained.

2 **44-32-507. [Formerly 12-60-507] Investigation - denial,**
3 **suspension, and revocation actions against licensees - unlawful acts.**

4 (1) The commission upon its own motion may, and upon complaint in
5 writing of any person shall, investigate the activities of any licensee or
6 applicant within the state or any person upon the premises of any facility
7 licensed pursuant to this ~~article~~ ARTICLE 32. In addition to its authority
8 under any other provision of this ~~article~~ ARTICLE 32, the commission may
9 issue a letter of admonition to a licensee, fine a licensee, suspend a
10 license, deny an application for a license, or revoke a license, if ~~such~~ THE
11 person has committed any of the following violations:

12 (a) Disregarding or violating any provision of this ~~article~~ ARTICLE
13 32 or any rule promulgated by the commission in the interests of the
14 public and in conformance with the provisions of this ~~article~~ ARTICLE 32;

15 (b) Been convicted of, or entered a plea of guilty or nolo
16 contendere to, a criminal charge under the laws of this or any other state
17 or of the United States, or entered into a plea bargain for acts or
18 omissions that, if committed in Colorado, would have been grounds for
19 discipline in this state. A certified copy of the judgment of the court in
20 which any such conviction occurred shall be presumptive evidence of
21 ~~such~~ THE conviction in any hearing under this ~~article~~ ARTICLE 32. This
22 ~~paragraph (b)~~ SUBSECTION (1)(b) shall be applied in accordance with
23 section 24-5-101. ~~C.R.S.~~

24 (c) Current prosecution or pending charges in any jurisdiction,
25 against the applicant, or any of its officers or directors, or any of its
26 general partners, or any stockholders, limited partners, or other persons
27 having a financial or equity interest of five percent or greater in the

1 applicant, for any felony; except that, at the request of the applicant or the
2 person charged, the commission shall defer decision upon ~~such~~ THE
3 application during the pendency of ~~such~~ THE charge;

4 (d) Fraud, willful misrepresentation, or deceit in racing;

5 (e) Failure to disclose to the commission complete ownership or
6 beneficial interest in a racing animal entered to be raced;

7 (f) Misrepresentation or attempted misrepresentation in
8 connection with the sale of a racing animal or other matter pertaining to
9 racing or registration of racing animals;

10 (g) Failure to comply with any order or rulings of the commission,
11 the stewards, the judges, or a racing official pertaining to a racing matter;

12 (h) Ownership of any interest in or participation by any manner in
13 any bookmaking, pool-selling, touting, bet solicitation, or illegal
14 enterprise;

15 (i) Employing or harboring unlicensed persons on the premises of
16 a racetrack;

17 (j) Being a person, employing a person, or being assisted by ~~any~~
18 A person who is not of good record or good moral character;

19 (k) Discontinuance of or ineligibility for the activity for which the
20 license was issued;

21 (l) Being currently under suspension or revocation of a racing
22 license in another racing jurisdiction, or having been subject to
23 disciplinary action by the ~~racing~~ commission or equivalent agency of
24 another jurisdiction for acts or omissions that, if committed in Colorado,
25 would have been grounds for discipline in this state; except that this
26 ~~paragraph (h)~~ SUBSECTION (1)(l) shall not furnish the basis for the
27 imposition of fines;

- 1 (m) Possession on the premises of a racetrack of:
- 2 (I) Firearms; or
- 3 (II) A battery, buzzer, electrical device, or other appliance other
- 4 than a whip ~~which~~ THAT could be used to alter the speed of a racing
- 5 animal in a race or while working out or schooling;
- 6 (n) Possession, on the premises of a racetrack, by a person other
- 7 than a licensed veterinarian, of:
- 8 (I) A hypodermic needle, hypodermic syringe, or other similar
- 9 device;
- 10 (II) Any substance, compound items, or combination thereof of
- 11 any medicine, narcotic, stimulant, depressant, or anesthetic ~~which~~ THAT
- 12 could alter the normal performance of a racing animal unless specifically
- 13 authorized by the commission veterinarian;
- 14 (o) Cruelty to or neglect of a racing animal;
- 15 (p) Offering, promising, giving, accepting, or soliciting a bribe in
- 16 any form, directly or indirectly, to or by a person having any connection
- 17 with the outcome of a race, or failure to report knowledge of ~~such~~ THE act
- 18 immediately to the stewards, the judges, or the commission;
- 19 (q) Causing, attempting to cause, or participating in any way in
- 20 any attempt to cause the prearrangement of a race result, or failure to
- 21 report knowledge of ~~such~~ THE act immediately to the stewards, the judges,
- 22 or the commission;
- 23 (r) Entering, or aiding and abetting the entry of, a racing animal
- 24 ineligible or unqualified for the race entered;
- 25 (s) Willfully or unjustifiably entering or racing of any animal in
- 26 any race under any name or designation other than the name or
- 27 designation assigned to ~~such~~ THE animal by and registered with the

1 official recognized registry for that breed of animal, or willfully
2 soliciting, instigating, engaging in or in any way furthering any act by
3 which any racing animal is entered or raced in any race under any name
4 or designation other than the name or designation duly assigned by and
5 registered with the official recognized registry for that breed of animal;

6 (t) Aiding or abetting any person in the violation of any rule of the
7 commission;

8 (u) Racing at a racetrack without having a racing animal
9 registered to race at that racetrack;

10 (v) Being on the premises of a racetrack for which the licensee is
11 required to be licensed without being able to show proof of gainful
12 employment at that racetrack;

13 (w) ~~(H)~~ Failing to comply with the requirements of part 6 of article
14 35 of title 24, ~~C.R.S.~~, or any rule promulgated by the executive director
15 of the ~~department of revenue~~ pursuant to section 24-35-607 (3). ~~C.R.S.~~

16 ~~(H) Repealed.~~

17 ~~(1.5)~~ (2) The director may summarily suspend the license of any
18 person pending a hearing concerning violation of ~~paragraph (o) of~~
19 ~~subsection (1)~~ SUBSECTION (1)(o) of this section.

20 ~~(2)~~ (3) Any person who fails to pay within the time period
21 established by rule a fine imposed pursuant to this ~~article~~ ARTICLE 32 shall
22 pay, in addition to the fine due, a penalty amount equal to the fine. Any
23 person who submits to the department of ~~revenue~~ through the division a
24 check in payment of a fine or license fee requirement imposed pursuant
25 to this ~~article~~ ARTICLE 32, which check is not honored by the financial
26 institution upon which it is drawn, shall pay, in addition to the fine or fee
27 due, a penalty amount equal to the fine or fee. All ~~moneys~~ MONEY

1 received pursuant to a penalty amount imposed by this ~~subsection (2)~~
2 SUBSECTION (3) shall be credited to the general fund of the state.

3 ~~(3)~~ (4) Any person aggrieved by a final action or order of the
4 commission may appeal ~~such~~ THE action to the Colorado court of appeals.

5 **44-32-508. [Formerly 12-60-507.5] License - mandatory**
6 **disqualification - criteria.** (1) The commission shall deny a license to
7 any applicant on the basis of any of the following criteria:

8 (a) Failure of the applicant to prove by clear and convincing
9 evidence that the applicant is qualified in accordance with the provisions
10 of this ~~article~~ ARTICLE 32;

11 (b) Failure of the applicant to provide information,
12 documentation, and assurances required by this ~~article~~ ARTICLE 32 or
13 requested by the commission, failure of the applicant to reveal any fact
14 material to qualification, or the supplying of information ~~which~~ THAT is
15 untrue or misleading as to a material fact pertaining to the qualification
16 criteria;

17 (c) Conviction of the applicant, or any of its officers or directors,
18 or any of its general partners, or any stockholders, limited partners, or
19 other persons having a financial or equity interest of five percent or
20 greater in the applicant, of any of the following:

21 (I) Any gambling-related offense or theft by deception;

22 (II) Any crime involving fraud or misrepresentation committed
23 within ten years prior to the date of the application, notwithstanding the
24 provisions of section 24-5-101; ~~C.R.S.~~;

25 (d) Current prosecution or pending charges in any jurisdiction
26 against the applicant, or against any person listed in ~~paragraph (c) of this~~
27 ~~subsection (1)~~ SUBSECTION (1)(c) OF THIS SECTION, for any of the offenses

1 enumerated in ~~said paragraph (c)~~ SUBSECTION (1)(c) OF THIS SECTION;
2 except that, at the request of the applicant or the person charged, the
3 commission shall defer decision upon ~~such~~ THE application during the
4 pendency of ~~such~~ THE charge.

5 **44-32-509. [Formerly 12-60-508] Hearings - review - rules.**

6 (1) Except as otherwise provided in this section, all proceedings before
7 the commission with respect to the denial, suspension, or revocation of
8 licenses or the imposition of fines shall be conducted pursuant to the
9 provisions of sections 24-4-104 and 24-4-105. ~~C.R.S.~~

10 (2) ~~Such~~ THE proceedings shall be held in the county where the
11 commission has its office or in such other place as the commission may
12 designate. The commission shall notify the applicant or licensee by
13 mailing by first-class mail a copy of the written notice required to the last
14 address furnished by the applicant or licensee to the commission.

15 (3) (a) The commission may delegate its authority to conduct
16 hearings and impose discipline with respect to the denial or suspension
17 of licenses or the imposition of a fine to the division, through its board of
18 stewards or judges, or a hearing officer. Proceedings before the division,
19 through its board of stewards or judges, or a hearing officer shall not be
20 governed by the procedural or other requirements of sections 24-4-104
21 and 24-4-105, ~~C.R.S.~~, but rather shall be conducted in accordance with
22 rules adopted by the commission.

23 (b) The commission may direct that any hearing be conducted
24 before an administrative law judge appointed pursuant to part 10 of article
25 30 of title 24. ~~C.R.S.~~

26 (4) The commission, the division, through its board of stewards
27 or judges, and any hearing officer shall have the authority to administer

1 oaths and affirmations, sign and issue subpoenas and order the production
2 of documents and other evidence, and regulate the course of the hearing,
3 pursuant to rules adopted by the commission.

4 (5) Any party aggrieved by a final order or ruling issued by the
5 division, through its board of stewards or judges, or a hearing officer shall
6 have a right to appeal ~~such~~ THE order or ruling to the commission,
7 pursuant to procedural rules ~~which~~ THAT shall be adopted by the
8 commission. The aggrieved party may petition the commission for a stay
9 of execution pending appeal to the commission.

10 **44-32-510. [Formerly 12-60-509] Liability insurance - bond for**
11 **race meets.** (1) For the protection of the public and the exhibitors,
12 contestants, and visitors, every person licensed to conduct a race meet
13 under the provisions of this ~~article~~ ARTICLE 32 shall carry public liability
14 insurance in the form of a contract and with a company to be approved by
15 the commission.

16 (2) An organization representing the majority of the owners of
17 racing animals participating in any race meet may require the licensee
18 conducting ~~such~~ THE race meet to provide and deliver to the commission
19 evidence of a bond signed by a surety company authorized to do business
20 in this state, in an amount sufficient to cover all awards and purses due to
21 the contestants at ~~such~~ THE race meet and conditioned that ~~said~~ THE
22 licensee will pay and discharge all obligations to ~~said~~ THE contestants in
23 connection with the race meet.

24 ~~(2.5) Repealed.~~

25 **44-32-511. [Formerly 12-60-510] Racing of standardbred**
26 **harness horses.** (1) Notwithstanding any other provision of this ~~article~~
27 ARTICLE 32 to the contrary, the commission shall grant licenses to conduct

1 the racing of standardbred harness horses pursuant to the provisions of
2 this ~~article~~ ARTICLE 32 and in accordance with subsections (2) and (3) of
3 this section.

4 (2) The licenses granted may be issued to conduct not more than
5 three race meets in any one year at a racetrack specifically designed and
6 used for the racing of no animals other than standardbred harness horses,
7 but ~~such~~ THE race meets may not be held on the same dates as race meets
8 authorized by the commission for animals other than standardbred harness
9 horses that are held within forty miles of the track licensed for the racing
10 of standardbred harness horses. In addition, licenses may be issued by the
11 commission to conduct three race meets for the racing of standardbred
12 harness horses in any one year at any racetrack at which horse race meets
13 are held and ~~which~~ THAT is not within forty miles of any other racetrack
14 licensed for the racing of horses or the racing of standardbred harness
15 horses.

16 (3) No tracks licensed for the racing of standardbred harness
17 horses may be located within forty miles of one another, but ~~such~~ THE
18 tracks may be located within forty miles of any track licensed for the
19 racing of animals other than standardbred harness horses subject to the
20 limitations in subsection (2) of this section.

21 (4) The provisions of subsection (3) of this section shall not
22 restrict the right of a county to conduct extended standardbred harness
23 horse race meets, upon being licensed by the ~~state racing~~ commission, at
24 a county fairground if ~~such~~ THE race meets are not within fifteen miles of
25 any racetrack licensed in Colorado for the racing of horses.

26 **44-32-512. [Formerly 12-60-511] Eligibility to operate race**
27 **meets - renewal or revocation.** (1) (a) No person shall be eligible to

1 operate a race meet under a license issued under the provisions of this
2 ~~article~~ ARTICLE 32 unless ~~such~~ THE person is the owner or controls the
3 possession of a properly constructed racetrack suitable for the conduct of
4 racing and improved with safe and suitable grandstands; equipped with
5 reasonably sanitary accommodations and also such accommodations,
6 including track conditions, as the commission may require for the care
7 and control of the animals racing at ~~such~~ THE meet; and also such other
8 improvements as, in the opinion of the commission, may be required for
9 the protection of the public, human and animal participants, and others
10 likely to be present at ~~such~~ THE race meet. In consideration of the location
11 of the track and other structures and erections and the probable capacity
12 requirements to accommodate the crowd and the number of people that
13 will reasonably be expected to occupy ~~such~~ THE grandstands and attend
14 ~~such~~ THE race meets, a major racing operation license shall not be issued
15 for the racing of horses at a class A track ~~which~~ THAT is within forty
16 miles of any other major racing operation licensed under this ~~article~~
17 ARTICLE 32 for the racing of horses at a class A track; nor shall a major
18 racing operation license be issued for the racing of horses at a class B
19 track ~~which~~ THAT is within forty miles of any other major racing
20 operation licensed under this ~~article~~ ARTICLE 32 for the racing of horses
21 at a class B track. In no event shall any racing operation licensed under
22 this ~~article~~ ARTICLE 32 for the racing of horses at a horse track located
23 within forty miles of the Colorado state fair and industrial exposition
24 conduct race meets of horses on the same dates as the race meets of
25 horses at the state fair.

26 (b) As used in ~~paragraph (a) of this subsection~~ (1) SUBSECTION
27 (1)(a) OF THIS SECTION, "major racing operation" means nonprofit

1 corporations and commercial tracks conducting race meets ~~which~~ THAT
2 exceed fifteen racing days.

3 ~~(2) Repealed.~~

4 ~~(3)~~ (2) Applications for renewal of ~~such~~ A license shall be filed
5 with the commission on or before a day fixed by the commission and
6 shall set forth the name of the applicant and if a corporation the names
7 and addresses of its officers and directors with a list attached thereto of
8 the names and addresses of all the holders of its stock, as of a date not
9 more than thirty days prior to the filing of ~~such~~ THE application, and the
10 amount of voting stock held by each stockholder. If any of its voting
11 stock is known by any applicant to be registered in the name of a person
12 not the actual owner thereof, ~~such~~ THE list shall also show the name and
13 address of ~~such~~ THE actual owner.

14 ~~(4)~~ (3) ~~Said~~ THE application shall set forth the proposed dates of
15 race meets, the dates within ~~such~~ THE race meets on which the applicant
16 intends to conduct racing at ~~such meetings~~ THE MEET and the number of
17 races intended to be run on ~~such~~ THE dates, and the address of the
18 establishment where ~~such~~ THE meets are to be held and shall have
19 attached thereto the most recent financial statement of the applicant as of
20 a date not more than twelve months prior to the date of the application for
21 renewal of ~~such~~ THE license. ~~Such~~ THE application shall also contain such
22 other information as the rules of the commission may provide to ensure
23 that ~~such~~ THE licensee is conducting race meets in accordance with the
24 provisions of this ~~article~~ ARTICLE 32 and the rules of the commission. To
25 determine whether an application for renewal of ~~such~~ THE license to
26 conduct race meets shall be granted, the commission shall have the right
27 to examine the financial and other records of the licensee, to compel the

1 production of records and documents, to conduct hearings, to summon
2 witnesses, and to administer oaths.

3 ~~(5)~~ (4) (a) As soon as is practicable after the date fixed for the
4 filing of applications for renewal, the commission shall meet and
5 determine the granting or denial thereof. If the commission finds that the
6 applicant has fully complied with the requirements and conditions for
7 renewal, the application for renewal shall be granted, and the commission
8 shall allot and assign to the respective applicants, in the manner stated in
9 this subsection ~~(5)~~ (4), dates for race meets and dates for racing within the
10 race meet and the number of races on ~~such~~ THE dates.

11 (b) Except as otherwise provided in this ~~article~~ ARTICLE 32, the
12 commission may allot different dates for race meets, different dates for
13 racing within a race meet, and a different number of races on the dates
14 from those requested in the application for renewal. In making its
15 allotment of dates, the commission shall endeavor to allot to each
16 applicant the dates requested by the applicant in the application, after
17 giving due consideration to all factors involved, including the interests of
18 the applicant and the public and the best interests of racing. In its
19 allotment of dates, the commission shall also endeavor, whenever
20 possible, to avoid a conflict in live horse race dates between class A
21 tracks or between class B tracks located within fifty miles of each other;
22 except that the commission may allot dates to a state, county, or other fair
23 commission or association holding not more than one race meet annually
24 for a period not exceeding six days, despite the fact that the dates conflict
25 with the dates allotted to another applicant conducting live horse racing.
26 When the granting of requested initial or renewal race dates would result
27 in a conflict, the commission may grant race dates so as to avoid conflict

1 to the extent possible, giving preference to requests for race dates from
2 license applicants whose licensed race meet in the previous year included
3 the same dates.

4 ~~(6)~~ (5) In the event the commission finds that any applicant for a
5 renewal of a license to conduct race meets under this ~~article~~ ARTICLE 32
6 has violated any of the provisions of this ~~article~~ ARTICLE 32 or any rule of
7 the commission, or has willfully or fraudulently made any false statement
8 in an original application for a license to hold race meets or for the
9 renewal of ~~such~~ THE license, or has failed to pay the commission any
10 sums required by this ~~article~~ ARTICLE 32, or lacks the ability, experience,
11 or finances to conduct race meets, the commission may refuse to grant a
12 renewal of ~~such~~ THE license.

13 ~~(7)~~ (6) Any unexpired license held by any person who has been
14 convicted by the commission of violating any of the provisions of this
15 ~~article~~ ARTICLE 32 or any rule of the commission, or who has willfully or
16 fraudulently made any false statement in any application for a license to
17 hold a race meet or for the renewal of ~~such~~ THE license, or who fails to
18 pay to the commission any and all sums required under the provisions of
19 this ~~article~~ ARTICLE 32 is subject to cancellation or revocation by the
20 commission. ~~Such~~ THE cancellation shall be made only after a summary
21 hearing before the commission, of which three days' notice in writing
22 shall be given the licensee specifying the grounds for the proposed
23 cancellation and at which hearing the licensee shall be given an
24 opportunity to be heard in person and by counsel in opposition to the
25 proposed cancellation. No license shall be granted or continued to any
26 licensee for any race meet licensed under this ~~article~~ ARTICLE 32 who has
27 made default in any payment of any premium or prizes on any race meets

1 held under this ~~article~~ ARTICLE 32 or who has failed to meet any monetary
2 obligations in connection with any race meet held in this state.

3 **44-32-513. [Formerly 12-60-512] Division of racing events -**
4 **access to records.** The division, for purposes of this ~~article~~ ARTICLE 32,
5 shall have full authority to procure, at the expense of the division, any
6 records furnished to or maintained by any law enforcement agency in the
7 United States, including state and local law enforcement agencies in
8 Colorado and other states for the purposes of carrying out its
9 responsibilities. Upon request from the Colorado bureau of investigation,
10 the division shall provide copies of any and all information obtained
11 pursuant to this part 5.

12 **44-32-514. [Formerly 12-60-513] Payments of winnings -**
13 **intercept.** ~~(1)~~ Before making a payment of cash winnings from
14 pari-mutuel wagering on horse or greyhound racing for which the licensee
15 is required to file form W-2G, or a substantially equivalent form, with the
16 United States internal revenue service, the licensee shall comply with the
17 requirements of part 6 of article 35 of title 24. ~~C.R.S.~~

18 ~~(2) Repealed.~~

19 PART 6

20 UNLAWFUL ACTS

21 **44-32-601. [Formerly 12-60-601] Underage wagering.** (1) No
22 person under the age of eighteen years shall purchase, redeem, or attempt
23 to purchase or redeem any pari-mutuel ticket.

24 (2) No person shall sell any pari-mutuel ticket to a person under
25 the age of eighteen years.

26 (3) Any person who violates this section commits a class 2 petty
27 offense, and, upon conviction thereof, shall be punished by a fine of not

1 more than one hundred dollars.

2 **44-32-602. [Formerly 12-60-602] Simulcast facilities and**
3 **simulcast races - unlawful act - repeal.** (1) It is unlawful for any person
4 to accept or place wagers on any simulcast race within the state of
5 Colorado except under the provisions of this ~~article~~ ARTICLE 32. It is
6 lawful to conduct pari-mutuel wagering on simulcast races of horses or
7 greyhounds ~~which~~ THAT are received by an in-state simulcast facility
8 authorized and operated pursuant to this ~~article~~ ARTICLE 32.

9 (2) Cross simulcasting between an in-state host track or an
10 out-of-state host track and an in-state simulcast facility, or between an
11 in-state host track and an out-of-state simulcast facility, is permissible.

12 ~~(3) Repealed.~~

13 ~~(4)(a)(I)~~ (3) A race meet of horses that is conducted at an in-state
14 host track may be received as a simulcast race by any simulcast facility;
15 except that, notwithstanding any consent granted pursuant to ~~section~~
16 ~~12-60-102(14)~~ SECTION 44-32-102(11), an in-state simulcast facility that
17 is located within fifty miles of a horse track that has held, within the
18 previous twelve months, or is licensed and scheduled to hold within the
19 next twelve months, a horse race meet of no less than thirty race days,
20 may not receive simulcast races of horses on any day on which ~~such~~ THE
21 horse track is running live horse races unless the licensee of ~~such~~ THE
22 horse track consents thereto.

23 ~~(H) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
24 ~~1586, § 6, effective May 21, 2009.)~~

25 ~~(b) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
26 ~~1586, § 6, effective May 21, 2009.)~~

27 ~~(5)(a)(I) and (H) Repealed.~~

1 ~~(HH)~~ (4) (a) (I) An in-state simulcast facility may, subject to the
2 commission's approval, receive the broadcast signal of greyhounds from
3 an out-of-state host track and conduct pari-mutuel wagering on the signal
4 through an in-state simulcast facility located on the premises of a class B
5 track that has conducted, or is scheduled to conduct during the next
6 twelve months, a live race meet of horses of at least the duration required
7 for a class B track.

8 ~~(IV)~~ (II) The specified portions of the gross receipts from
9 pari-mutuel wagers placed at an in-state simulcast facility on simulcast
10 greyhound races being held on out-of-state host tracks from signals
11 received through a class B track shall be distributed in accordance with
12 ~~section 12-60-701 (2)~~ SECTION 44-32-701 (2).

13 (b) (I) (A) An in-state simulcast facility that is located on the
14 premises of a class B track may receive simulcast horse races from an
15 out-of-state host track as authorized by the commission. ~~Such~~ THE total
16 includes, and is not in addition to, the days on which live racing is held.

17 (B) A facility ~~which~~ THAT is reopening as a track pursuant to
18 ~~section 12-60-503 (2)(b)~~ SECTION 44-32-503 (2) may receive three days
19 of simulcast horse races from an out-of-state host track for each day of
20 live horse racing for which the commission has granted it a race date for
21 the subsequent year. A day of simulcast horse races, for the purposes of
22 this ~~paragraph (b)~~ SUBSECTION (4)(b), shall not include a day on which
23 live horse races are conducted at the horse track at which the simulcast
24 facility is located or a day on which the simulcast facility receives only
25 simulcast races of horses from a race meet conducted at an in-state host
26 track.

27 ~~(I.5) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~

1 ~~1586, § 6, effective May 21, 2009.)~~

2 (II) ~~(A)~~ An in-state simulcast facility that is not located on the
3 premises of a horse track that runs a horse race meet of at least thirty live
4 race days may receive a broadcast signal of a simulcast horse race
5 conducted at an out-of-state host track only through an in-state simulcast
6 facility that is located on the premises of a horse track that runs a horse
7 race meet of at least thirty live race days.

8 ~~(B) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
9 ~~1586, § 6, effective May 21, 2009.)~~

10 ~~(H.5) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
11 ~~1586, § 6, effective May 21, 2009.)~~

12 (III) On any day on which an in-state simulcast facility receives
13 simulcast horse races, either directly from an out-of-state host track or
14 through another in-state simulcast facility or facility ~~which~~ THAT is
15 reopening as a track, and on which one or more in-state host tracks are
16 running live horse races, ~~such~~ THE in-state simulcast facility shall receive
17 and conduct pari-mutuel wagering on the broadcast signal of simulcast
18 horse races from at least one such in-state host track, if ~~such~~ THE
19 broadcast signal is made available to it on usual and customary terms and
20 conditions, including price, as determined by the commission.

21 (IV) All simulcasting of horse races shall comply with the federal
22 "Interstate Horseracing Act of 1978", 15 U.S.C. secs. 3001-3007, as
23 amended.

24 (V) ~~(A)~~ For purposes of administering this ~~paragraph (b)~~
25 SUBSECTION (4)(b), each operating year of an in-state simulcast facility
26 located on the premises of a class B track shall be deemed to begin on
27 April 21 and end on the following April 20. Simulcast days allotted to

1 such a facility pursuant to this ~~paragraph (b)~~ SUBSECTION (4)(b) may be
2 used at any time during the operating year, but unused days remaining as
3 of the end of one operating year may not be carried forward to the next
4 operating year.

5 ~~(B) Repealed.~~

6 ~~(C) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
7 ~~1586, § 6, effective May 21, 2009.)~~

8 ~~(6) (5)~~ An in-state simulcast facility having a written simulcast
9 racing agreement with an in-state or out-of-state host track pursuant to
10 ~~section 12-60-503 (2)~~ SECTION 44-32-503 (2) may receive simulcast races,
11 as specified in ~~subsections (2) to (5)~~ SUBSECTIONS (2) TO (4) of this
12 section, on any day, including a day not within the race meet of ~~such~~ THE
13 in-state simulcast facility ~~which~~ THAT is also a track and a day on which
14 no live race is conducted within the race meet of ~~such~~ THE in-state
15 simulcast facility ~~which~~ THAT is also a track.

16 ~~(7) Repealed.~~

17 **44-32-603. [Formerly 12-60-603] Duration of meets.** (1) ~~(a)~~ It
18 is unlawful to conduct any race meet at which wagering is permitted
19 except under the provisions of this ~~article~~ ARTICLE 32. It is lawful to
20 conduct pari-mutuel wagering on live horse races that are part of a race
21 meet licensed and conducted under this ~~article~~ ARTICLE 32. The duration
22 of a horse race meet at a class B track is as specified in ~~section 12-60-102~~
23 ~~(4)~~ SECTION 44-32-102 (3); except that the commission may prescribe a
24 lesser number of race days in the event of unforeseen circumstances or
25 acts of God.

26 ~~(b)~~ (2) A race day is any period of twenty-four hours beginning at
27 12 midnight Colorado time and included in the period of a race meet and

1 upon which day live racing is held. Dark days within a race meet are not
2 counted as race days. Days on which an in-state simulcast facility that is
3 a track receives simulcast races but does not conduct live races are not
4 counted as race days. Subject to this ~~article~~ ARTICLE 32, the commission
5 shall determine the number and kind of race meets to be held at any one
6 track; however, race meet days are permitted on Sundays.

7 ~~(c)~~ (3) In order to promote live racing of horses throughout the
8 state of Colorado, the commission, when determining the number and
9 kind of race meets held and the dates and times of races held at race
10 meets, may take into consideration the interests of the racing industry as
11 a whole throughout the state but shall give particular consideration to the
12 racing dates and times requested by or assigned to the following:

13 ~~(f)~~ ~~(Deleted by amendment, L. 2014.)~~

14 ~~(H)~~ (a) In the case of class A tracks, other class A tracks; and

15 ~~(HH)~~ (b) In the case of class B tracks, other class B tracks.

16 ~~(d)~~ (4) The commission shall determine, consistent with all other
17 provisions of this ~~article~~ ARTICLE 32, the total number of races conducted
18 and performances held during a race meet.

19 ~~(2)(a)~~ ~~(Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
20 ~~1589, § 7, effective May 21, 2009.)~~

21 ~~(b) to (d)~~ Repealed.

22 **44-32-604. [Formerly 12-60-604] Greyhound racing**
23 **prohibited.** No live greyhound racing involving the betting or wagering
24 on the speed or ability of the greyhounds racing shall be conducted in
25 Colorado. The commission shall not accept or approve an application or
26 request for race dates for live greyhound racing in Colorado.

27 **44-32-605. [Formerly 12-60-605] Wagering on historic races**

1 **- definitions.** (1) The state, a municipality, city and county, county, or
2 any state or local agency, board, commission, or official thereof, shall not
3 approve or permit the use of a racing replay and wagering device.

(2) A licensee shall not operate, offer to operate, or use a racing replay and wagering device or allow any person to use a racing replay and wagering device to place a wager on any previously run sporting event.

7 (3) This section does not apply to a simulcast race.

8 (4) As used in this section, unless the context otherwise requires:

9 (a) "Racing replay and wagering device" means a mechanical,
10 electronic, or computerized piece of equipment that:

(I) Can display a previously run sporting event, regardless of how the sporting event is displayed, rebroadcast, or replayed; and

(II) Gives a player who places a wager on the outcome of the previously run sporting event an opportunity to win a thing of value, whether due to the skill of the player, chance, or both.

(b) "Sporting event" means a contest in which animals, people, or machines compete individually or as teams for the purpose of winning a race, game, contest, or other competition.

(c) "Wager" means to place at risk of loss any valuable consideration, including coin, currency, or the electronic equivalent of any coin or currency.

22 PART 7

23 TAXES AND FEES

24 **44-32-701. [Formerly 12-60-701] License fees and**
25 **Colorado-bred horse race requirement.** (1) Subject to section
26 ~~12-60-702 (1)~~ SECTION 44-32-702 (1), for the privilege of conducting
27 racing under a license issued under and of operating an in-state simulcast

1 facility pursuant to this ~~article~~ ARTICLE 32, a licensee for the racing of
2 greyhounds and an operator of an in-state simulcast facility that receives
3 simulcast races of greyhounds shall pay to the department ~~of revenue~~
4 through the division four and one-half percent of the gross receipts
5 derived from pari-mutuel wagering during any such race meet or placed
6 on ~~such~~ THE simulcast races that are received through a live greyhound
7 track.

8 (2) (a) (I) For the privilege of conducting racing under a license
9 issued under and of operating an in-state simulcast facility pursuant to
10 this ~~article~~ ARTICLE 32, a licensee for the racing of horses and an operator
11 of an in-state simulcast facility that receives simulcast races of horses or
12 greyhounds pursuant to ~~section 12-60-602 (5)(a)(HH)~~ SECTION 44-32-602
13 (4)(a)(I) shall pay to the department ~~of revenue~~ through the division
14 three-fourths of one percent of the gross receipts of the pari-mutuel
15 wagering at any ~~such~~ race meet or placed on ~~such~~ THE simulcast races;
16 except that a licensee for the racing of horses at a class B track race meet
17 shall pay to the department ~~of revenue~~ through the division three-fourths
18 of one percent of the gross receipts of the pari-mutuel wagering at any
19 such race meet.

20 (II) (A) Except as otherwise provided in ~~sub-subparagraph (B) of~~
21 ~~this subparagraph (H)~~ SUBSECTION (2)(a)(II)(B) OF THIS SECTION, in
22 addition to the amount paid to the department ~~of revenue~~ through the
23 division in ~~subparagraph (I) of this paragraph (a)~~ SUBSECTION (2)(a)(I) OF
24 THIS SECTION, a licensee for the racing of horses and an operator of an
25 in-state simulcast facility that receives simulcast races of horses or
26 greyhounds pursuant to ~~section 12-60-602 (5)(a)(HH)~~ SECTION 44-32-602
27 (4)(a)(I) shall pay to Colorado state university for allocation to its school

1 of veterinary medicine one-fourth of one percent of the gross receipts of
2 all pari-mutuel wagering, except on win, place, or show, at ~~such~~ THE
3 horse race meet or placed on ~~such~~ THE simulcast races, to be used for
4 racing-related equine research. To receive research funding under this
5 ~~subparagraph (H)~~ SUBSECTION (2)(a)(II), an institution or individual must
6 describe and report to the commission on all projects upon completion.

7 (B) In the case of pari-mutuel wagers on greyhound simulcast
8 signals received by a class B track, in lieu of the amounts otherwise
9 payable to Colorado state university pursuant to ~~sub-subparagraph (A) of~~
10 ~~this subparagraph (H)~~ SUBSECTION (2)(a)(II)(A) OF THIS SECTION, the
11 licensee shall instead pay an equivalent amount into a trust account for
12 distribution in accordance with rules of the commission under ~~section~~
13 ~~12-60-702 (1)(c)(H)~~ SECTION 44-32-702 (1)(e)(I).

14 (b) In addition to any ~~moneys~~ MONEY to be paid pursuant to
15 ~~paragraph (a) of this subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION,
16 a licensee for the racing of horses and an operator of an in-state simulcast
17 facility that receives simulcast races of horses or greyhounds pursuant to
18 ~~section 12-60-602 (5)(a)(HH)~~ SECTION 44-32-602 (4)(a)(I) shall pay to a
19 trust account one-half of one percent of the gross receipts of pari-mutuel
20 wagering on win, place, and show and one and one-half percent of the
21 gross receipts from all other pari-mutuel wagering at any such race meet
22 or placed on ~~such~~ THE simulcast races for the horse breeders' and owners'
23 awards and supplemental purse fund established in ~~section 12-60-704~~
24 SECTION 44-32-705.

25 (c) (I) The operator of a simulcast facility that receives simulcast
26 races of horses or greyhounds pursuant to ~~section 12-60-602 (5)(a)(HH)~~
27 SECTION 44-32-602 (4)(a)(I) shall retain five percent of the gross receipts

1 of pari-mutuel wagering placed on ~~such~~ THE simulcast races at that
2 facility, to be used to cover the particular expenses incurred in operating
3 a simulcast facility.

4 (II) ~~(A)~~ Of the five percent of gross receipts retained pursuant to
5 ~~subparagraph (I) of this paragraph (c)~~ SUBSECTION (2)(c)(I) OF THIS
6 SECTION, the operator of a simulcast facility that is not located at a class
7 B track and that receives simulcast races of horses shall remit to the
8 operator of the class B track from which ~~such~~ THE simulcast races were
9 received one-fifth, representing one percent of the gross receipts of
10 pari-mutuel wagering placed on ~~such~~ THE simulcast races at the simulcast
11 facility.

12 ~~(B) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
13 ~~1590, § 8, effective May 21, 2009.)~~

14 (3) For the purpose of encouraging the breeding, within the state,
15 of race horses registered within their breeds, at least one race of each
16 day's live horse race meet shall consist exclusively of Colorado-bred
17 horses, if Colorado-bred horses are available. This requirement shall not
18 apply to an in-state simulcast facility ~~which~~ THAT is a horse track and
19 ~~which~~ THAT receives simulcast races of horses on any given race meet
20 day but does not conduct a live horse race on such day.

21 ~~(4) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
22 ~~1590, § 8, effective May 21, 2009.)~~

23 **44-32-702. [Formerly 12-60-702] Unlawful to wager -**
24 **exception - excess - taxes - special provisions for simulcast races -**
25 **rules.** (1) (a) It is unlawful to conduct pool selling or bookmaking, or to
26 circulate handbooks, or to bet or wager on any race meet licensed under
27 the provisions of this ~~article~~ ARTICLE 32 other than by the pari-mutuel

1 method.

2 (b) (I) Except as otherwise provided in subsection (4) of this
3 section, it is unlawful for a racing or simulcast facility licensee for the
4 racing of greyhounds or horses to take more than the percentage of the
5 gross receipts authorized by the commission pursuant to ~~subparagraph (II)~~
6 ~~of this paragraph (b)~~ SUBSECTION (1)(b)(II) OF THIS SECTION of any
7 pari-mutuel wagering on ~~such~~ THE races or simulcast races.

8 (II) The commission may annually determine the authorized
9 take-out under ~~subparagraph (I) of this paragraph (b)~~ SUBSECTION
10 (1)(b)(I) OF THIS SECTION by rule, but ~~such~~ THE take-out shall not exceed
11 thirty percent of the gross receipts of any pari-mutuel wagering on races
12 originating within Colorado.

13 (c) Each licensee for the racing of horses shall pay as purses for
14 the races in any horse race meet conducted at its in-state host track fifty
15 percent of the breakage attributable thereto, and fifty percent of the track's
16 commission. For purposes of this ~~paragraph (c)~~ SUBSECTION (1)(c), the
17 track's commission means the maximum allowable percentage ~~which~~
18 THAT may be taken, pursuant to ~~paragraph (b) of this subsection (1)~~
19 SUBSECTION (1)(b) OF THIS SECTION, by a licensee for the racing of horses
20 from the gross receipts from all pari-mutuel wagering placed on ~~such~~ THE
21 races at the in-state host track, after deduction of the amounts specified
22 in ~~sections 12-60-701 (2)(a) and (2)(b) and 12-60-704 (2)~~ SECTIONS
23 44-32-701 (2)(a) AND (2)(b) AND 44-32-705 (2).

24 (d) For each horse race meet it conducts, a licensee shall file with
25 its license application with the commission an agreement between ~~such~~
26 THE licensee and the organization ~~which~~ THAT represents the majority of
27 the owners of horses participating at ~~such~~ THE race meet. ~~Such~~ THE

1 agreement shall specify the purse structure ~~which~~ THAT shall apply to the
2 races conducted at ~~such~~ THE horse race meet, including minimum purses
3 per race and any conditions relating to overpayments or underpayments.

4 ~~(d.5) Repealed.~~

5 ~~(e) (I) Repealed.~~

6 ~~(H)~~ (e) (I) Each operator of an in-state simulcast facility that
7 receives simulcast races of horses from either an in-state host track or an
8 out-of-state host track, or of greyhounds from an out-of-state host track,
9 shall pay to purse funds for the racing of horses and to the in-state or
10 out-of-state tracks and simulcast facilities described in the simulcast
11 agreement filed with the commission, the percentages of the gross
12 pari-mutuel wagering on the simulcast races, after deduction of a signal
13 fee required by an out-of-state host track or an in-state host track, paid
14 during the current year or a previous year, and the applicable amounts
15 specified in ~~paragraph (b) of subsection (2)~~ SUBSECTION (2)(b) of this
16 section AND in ~~section 12-60-701 (1), (2)(a), (2)(b), and (2)(c) and in~~
17 ~~section 12-60-704 (2)~~ SECTIONS 44-32-701 (1) AND (2) AND 44-32-705
18 (2), as specified in the simulcast agreement. In the case of pari-mutuel
19 wagers on greyhound simulcast signals received by a class B track from
20 an out-of-state host track, the operator shall deposit the amounts payable
21 pursuant to ~~section 12-60-701 (2)(a)(H)(B)~~ SECTION 44-32-701
22 (2)(a)(II)(B) into a trust account for distribution, in accordance with rules
23 of the commission, to greyhound welfare and adoption organizations.

24 ~~(H)~~ (A) (II) To defray operating expenses, the operator of a
25 simulcast facility located at a class B track may retain up to twenty
26 percent of the net purses earned and payable to the horse purse fund as
27 provided in ~~subparagraph (H) of this paragraph (c)~~ SUBSECTION (1)(e)(I)

1 OF THIS SECTION.

2 ~~(B) (Deleted by amendment, L. 2009, (SB 09-174), ch. 296, p.~~
3 ~~1591, § 9, effective May 21, 2009.)~~

4 (f) A licensee or operator shall retain horse purse funds, including
5 funds established in ~~section 12-60-704~~ SECTION 44-32-705, payable by the
6 licensee or operator under this section in a trust account in a commercial
7 bank located in Colorado until the purse funds are paid to the horse
8 owners or to the host track for payment to the horse owners; except that

9 ~~(f) The moneys~~ THE MONEY deposited in any such trust account
10 shall be invested in a fund that invests in obligations of the United States
11 government with maturities of less than one year or that is account
12 insured in full by an agency of the federal government. ~~and~~

13 ~~(H) Repealed.~~

14 (g) Except as otherwise provided in subsection (4) of this section:

15 (I) It is unlawful for any licensee to compute breaks in the
16 pari-mutuel system in excess of ten cents; and

17 (II) If, during any race meet conducted under this ~~article~~ ARTICLE
18 32, there are underpayments of the amount actually due to the wagerers,
19 the amount of the excess of ~~such~~ THE underpayments over and above
20 overpayments to wagerers, at the expiration of thirty days from the end of
21 ~~said~~ THE meet, shall revert and belong to the state of Colorado and be
22 paid to the department of ~~revenue~~ through the division and become a part
23 of its funds, and it shall not be retained by the licensee under whose
24 license ~~such~~ THE race meet was held.

25 (h) (I) Fifty percent of the breakage at any horse race meet shall
26 be retained by the licensee under whose license ~~such~~ THE horse race meet
27 was held and the remainder shall be paid as purses for the races

1 conducted at ~~such~~ THE race meet.

2 (II) The breakage at any greyhound race meet shall be retained by
3 the licensee under whose license ~~such~~ THE greyhound race meet was held.

4 (III) Except as otherwise provided in ~~subparagraph (IV) of this~~
5 ~~paragraph (h)~~ SUBSECTION (1)(h)(IV) or ~~in subsection (4) of this section,~~
6 the breakage on any simulcast race of horses or greyhounds received by
7 an in-state simulcast facility shall be retained by the operator of ~~such~~ THE
8 in-state simulcast facility.

9 (IV) In the case of simulcast races of horses received from an
10 in-state host track, fifty percent of the breakage shall be paid to the
11 licensee of ~~such~~ THE in-state host track within sixty days after the end of
12 the race meet from which ~~such~~ THE simulcast race was broadcast and the
13 remainder shall be paid as purses for the races conducted at ~~such~~ THE
14 in-state host track.

15 ~~(i) Repealed.~~

16 ~~(j)~~ (i) An operator of an in-state simulcast facility shall retain the
17 proceeds derived from all unclaimed pari-mutuel tickets for each
18 simulcast race of greyhounds received for a race held at an out-of-state
19 host track and, after a period of one year following the simulcast race, the
20 proceeds revert and belong to the operator.

21 (2) (a) In the event the federal government or any federal
22 governmental agency imposes a levy on ~~said~~ THE licensee by a tax on the
23 money so wagered and upon and against its receipts, the licensee may
24 collect, in addition to the percentage and breaks allowed in this section,
25 the amount of the tax so levied.

26 (b) The tax and breaks and license fee provided for in this ~~article~~
27 ARTICLE 32 shall be in lieu of all other license fees and privilege taxes or

1 charges by the state of Colorado or any county, city, town, or other
2 municipality or taxing body for the privilege of conducting any race meet
3 provided for in this ~~article~~ ARTICLE 32 and licensed by the authority of
4 this ~~article~~ ARTICLE 32; except that any county, city, town, or other
5 municipality or taxing body ~~which~~ THAT imposed any fee, tax, or charge
6 prior to July 1, 1982, on the money so wagered, or upon and against the
7 licensee's receipts, or for the privilege of conducting any race meet
8 provided for and licensed by authority of this ~~article~~ ARTICLE 32 shall
9 have the authority to amend, repeal and reenact, or repeal any such fee,
10 tax, or charge and impose a new or different fee or tax on the money so
11 wagered, or upon and against the licensee's receipts, or for the privilege
12 of conducting any race meet provided for and licensed by authority of this
13 ~~article~~ ARTICLE 32, and no provision of this ~~article~~ ARTICLE 32 shall affect
14 the authority of ~~such~~ THE county, city, town, or other municipality or
15 taxing body with respect to such fees or taxes unless ~~such~~ THE provision
16 specifically refers to this ~~paragraph~~ ~~(b)~~ SUBSECTION (2)(b).
17 Notwithstanding subsection (1) of this section, it is lawful for the licensee
18 to take such fee or tax from the gross receipts on pari-mutuel wagering;
19 and in such cases the licensee shall pay the fee or tax directly to the
20 county, city, town, or other municipality or taxing body.

21 (3) Unless expressly authorized by this ~~article~~ ARTICLE 32, no
22 person may act for consideration as an agent or courier for another person
23 for the purpose of placing wagers or cashing or redeeming winning
24 pari-mutuel tickets. In addition to the remedies otherwise provided for
25 violations of this ~~article~~ ARTICLE 32, the commission may petition any
26 court of competent jurisdiction for an order enjoining a violation of this
27 subsection (3).

1 (4) Pursuant to a valid simulcasting agreement, an operator of an
2 in-state simulcast facility that receives simulcast signals of horse or
3 greyhound races held in another state may:

4 (a) Take the percentage of the gross receipts of any pari-mutuel
5 wagering on ~~such~~ THE simulcast races as is allowable under the laws and
6 rules of ~~such~~ THE other state; and

7 (b) Adopt ~~such~~ THE procedures for computation and distribution
8 of breakage as are allowable under the laws and rules of ~~such~~ THE other
9 state.

10 **44-32-703. [Formerly 12-60-703] Pari-mutuel pools for race**
11 **meets and simulcast races.** (1) The pari-mutuel pool for a horse race
12 meet and for simulcast races of ~~such~~ THE race meet shall be an intrastate
13 common pool; except that, if ~~such~~ THE simulcast races are received by an
14 out-of-state simulcast facility, the pari-mutuel pool may be an interstate
15 common pool, and, in that case, it shall be operated by the in-state host
16 track conducting ~~such~~ THE horse race meet.

17 ~~(2) Repealed.~~

18 ~~(3)~~ (2) An in-state simulcast facility receiving simulcast races
19 from an out-of-state host track may participate either in a pari-mutuel
20 pool into which only the pari-mutuel wagers on ~~such~~ THE simulcast races
21 that are placed at ~~such~~ THE in-state simulcast facility are taken or in an
22 interstate common pool. The commission shall permit an operator of an
23 in-state simulcast facility participating in an interstate common pool to
24 adopt the takeout percentage of the out-of-state host track for ~~such~~ THE
25 interstate common pool.

26 **44-32-704. [Formerly 12-60-703.5] Limitations on pari-mutuel**
27 **wagering.** (1) Wagers on pari-mutuel horse or greyhound races

1 conducted in or out of this state may only be placed upon the premises of
2 a racetrack or an in-state simulcast facility licensed by the commission or
3 ~~such~~ THE out-of-state racetrack or simulcast facility as authorized by the
4 commission. No wagering or betting on the results of any of the races
5 licensed under this ~~article~~ ARTICLE 32 shall be conducted outside a
6 licensed or approved racetrack or simulcast facility.

7 (2) (a) No person or agent or employee of any person shall place,
8 receive, offer, or agree to place or receive a wager on a pari-mutuel horse
9 or greyhound race, conducted in or broadcast in this state, by messenger,
10 telephone, telegraph, facsimile machine, or other electronic device;
11 except that this subsection (2) shall not apply to associations or simulcast
12 facilities licensed by the commission. Nothing in this section shall be
13 construed to prohibit gambling as provided in section 18-10-102 (2)(d).
14 ~~C.R.S.~~

15 (b) Any person who violates ~~paragraph (a) of this subsection (2)~~
16 SUBSECTION (2)(a) OF THIS SECTION commits a class 2 misdemeanor and
17 shall be punished as provided in section 18-1.3-501. ~~C.R.S.~~

18 **44-32-705. [Formerly 12-60-704] Horse breeders' and owners'**
19 **awards and supplemental purse fund - awards - advisory committee**
20 **- rules.** (1) There is hereby created a fund, to be known as the horse
21 breeders' and owners' awards and supplemental purse fund, referred to in
22 this section as the "fund", ~~which~~ THAT shall consist of ~~moneys~~ MONEY
23 deposited thereto by the licensee for the racing of horses and by an
24 operator of an in-state simulcast facility that receives simulcast races of
25 horses for the purposes of this section, to be held in a trust account, which
26 ~~moneys~~ MONEY shall be paid out to owners and breeders of
27 Colorado-bred horses as provided in this section and by rules of the

1 commission. ~~Such~~ THE rules shall provide for an administrative fee to be
2 paid to the Colorado horse breeder associations for registering and
3 maintaining breeding records for the administration of the fund. ~~Such~~ THE
4 fees shall not exceed ten percent of the total ~~moneys~~ MONEY generated by
5 the unclaimed pari-mutuel tickets and ~~such moneys~~ THE MONEY provided
6 by ~~section 12-60-701 (2)(b)~~ SECTION 44-32-701 (2)(b).

7 (2) ~~Those moneys~~ THE MONEY derived pursuant to ~~section~~
8 ~~12-60-701 (2)(b)~~ SECTION 44-32-701 (2)(b) shall be paid to a trust
9 account for the fund on the fifteenth day of the calendar month
10 immediately following the month in which ~~such~~ THE sum was received.
11 In addition, the proceeds derived from all unclaimed pari-mutuel tickets
12 for each horse race meet and for each simulcast race of horses received
13 by an in-state simulcast facility shall be paid to a trust account for the
14 fund after a period of one year following the end of ~~such~~ THE race meet.

15 (3) (a) and (b) ~~Repealed.~~

16 (c) (3) After ~~moneys~~ MONEY from the fund ~~have~~ HAS been
17 distributed to the respective breeder associations, further distribution shall
18 be governed by the bylaws of ~~such~~ THE associations. Nothing in this
19 section shall be construed to prohibit the distribution of ~~moneys~~ MONEY
20 from the fund to owners and breeders of Colorado-bred horses that are
21 otherwise eligible under the bylaws of ~~such~~ THE associations and that run
22 in races outside Colorado.

23 (4) Notwithstanding section 24-30-204, ~~C.R.S.~~, the commission
24 may establish by rule a period for distribution of ~~moneys~~ MONEY in the
25 fund ~~which~~ THAT is not consistent with the state's general fiscal-year
26 period.

27 (5) Any ~~moneys~~ MONEY credited to the fund and not distributed

1 within three years shall be paid, as authorized by the commission, either:

2 (a) As purses for races held at live race meets in Colorado; or

3 (b) As fees required for participation in an interstate compact to
4 which Colorado is a party pursuant to section ~~12-60-202 (5)~~ 44-32-202
5 (4).

6 **44-32-706. [Formerly 12-60-705] Payments to state -**

7 **disposition.** (1) (a) Except as otherwise provided in ~~paragraph (b) of this~~
8 ~~subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION and in ~~sections~~
9 ~~12-60-701, 12-60-702 (1), and 12-60-704~~ SECTIONS 44-32-701, 44-32-702
10 (1), AND 44-32-705, all sums referred to in ~~sections 12-60-701, 12-60-702~~
11 ~~(1), and 12-60-704~~ SECTIONS 44-32-701, 44-32-702 (1), AND 44-32-705,
12 including all sums collected for license fees and fines pursuant to the
13 provisions of this ~~article~~ ARTICLE 32, shall be paid to the department of
14 ~~revenue~~ through the division on the tenth business day of the month
15 immediately following the month in which each performance took place,
16 and the licensee shall make a return as required by rules of the
17 commission.

18 (b) In temporary or emergency situations, a licensed operator for
19 the racing of animals, with the approval of and under the direction of the
20 director ~~of the division~~ or the director's designee, may provide for
21 veterinary services as described in ~~section 12-60-202 (3)~~ SECTION
22 44-32-202 (3), at the licensed operator's expense, and the expense thus
23 incurred may be deducted from the payment made to the department in
24 accordance with ~~paragraph (a) of this subsection (1)~~ SUBSECTION (1)(a)
25 OF THIS SECTION; except that the amount deducted shall not exceed the
26 amount set by the commission for ~~such~~ THOSE veterinary services.

27 (2) All ~~moneys~~ MONEY collected by the department ~~of revenue~~

1 through the division shall, on the next business day following the receipt
2 thereof, be transmitted to the state treasurer, who shall credit the same to
3 the general fund of the state; except that license fees established and
4 collected by the director pursuant to ~~section 12-60-202 (3)(h)~~ SECTION
5 44-32-202 (3)(h) shall be credited to the racing cash fund created in
6 ~~section 12-60-205~~ SECTION 44-32-205. The department of revenue shall
7 have all the powers, rights, and duties provided in article 21 of title 39
8 ~~C.R.S.~~, to carry out ~~such~~ THE collection.

9 (3) The general assembly shall annually appropriate from the
10 racing cash fund created in ~~section 12-60-205~~ SECTION 44-32-205 the
11 direct and indirect costs of administering this ~~article~~ ARTICLE 32.

12 (4) Any person who fails to make a return or pay any tax required
13 under this ~~article~~ ARTICLE 32 shall be liable for penalties and interest as
14 follows:

15 (a) A penalty of the greater of fifteen dollars for each failure to
16 make a return and for each failure to pay a tax when due, or ten percent
17 thereof plus one-half percent per month from the date when due, not
18 exceeding eighteen percent, in the aggregate; and

19 (b) Interest on any tax due, from the date due, at the rate specified
20 in section 39-21-110.5. ~~C.R.S.~~

21 **44-32-707. [Formerly 12-60-706] Agreement of this state.** In
22 the event any county or municipality development revenue bonds are
23 issued in reliance on the provisions of this ~~article~~ ARTICLE 32, the state of
24 Colorado does hereby covenant and agree with the holders of any such
25 bonds that the state will not limit or alter the rights or powers of the
26 owners of ~~such~~ THE bonds or to repeal, amend, or otherwise directly or
27 indirectly modify this ~~article~~ ARTICLE 32 or the effect thereof as to the

1 assessments, fees, charges, pledged revenues, or any combination thereof
2 in such a manner as to impair adversely any such outstanding bonds, until
3 all such bonds have been paid and discharged in full or provision for their
4 payment and redemption has been fully made. ~~Such~~ THE covenant and
5 agreement may be included in any agreement with the holders of ~~such~~
6 THE bonds.

7 PART 8

8 ENFORCEMENT AND PENALTIES

9 **44-32-801. [Formerly 12-60-801] Criminal penalties.**

10 (1) Except as provided in ~~section 12-60-601~~ SECTION 44-32-601, any
11 person who commits any of the acts enumerated in ~~section 12-60-507 (1)~~
12 SECTION 44-32-507 (1), other than those ~~which~~ THAT also constitute
13 crimes under the "Colorado Criminal Code", title 18, ~~C.R.S.~~, commits a
14 class 2 misdemeanor and shall be punished as provided in section
15 18-1.3-501. ~~C.R.S.~~

16 (2) Any person who violates any rule of the commission
17 promulgated under the authority granted in this ~~article~~ ARTICLE 32, other
18 than those ~~which~~ THAT also constitute crimes under the "Colorado
19 Criminal Code", title 18, ~~C.R.S.~~, commits a class 2 petty offense and,
20 upon conviction thereof, shall be punished by a fine of not more than one
21 hundred dollars.

22 (3) The penalties set forth in this section are cumulative and do
23 not preclude the imposition of civil or administrative penalties, sanctions,
24 actions against licenses or registrations, or any other penalties otherwise
25 authorized.

26 **44-32-802. [Formerly 12-60-802] Cancellation of license.** In
27 case of a willful violation of this ~~article~~ ARTICLE 32 by a person holding

1 a license, the commission, upon conviction of the offender, may cancel
2 the offender's license, and ~~such~~ THE cancellation shall operate as a
3 forfeiture of all rights and privileges granted by the commission and of all
4 sums of money paid to the department of revenue through the division by
5 the offender, and the action of the commission in this respect shall be
6 final.

7 **44-32-803. [Formerly 12-60-803] Exclusion from licensed**
8 **premises.** The commission or the division may exclude from any and all
9 licensed premises any person who has been convicted of a felony under
10 the laws of this or any other state or of the United States, subject to the
11 provisions of section 24-5-101. ~~C.R.S.~~ Any person so excluded by the
12 commission or the division has a right to a hearing before the commission
13 as to the basis of ~~such~~ THE exclusion, subject to the provisions of section
14 24-4-104. ~~C.R.S.~~ No such person shall enter or remain upon premises
15 owned by any licensee conducting a race meet or operating a simulcast
16 facility under the jurisdiction of the commission, and all such persons,
17 upon discovery or recognition, shall be forthwith excluded or ejected
18 from ~~such~~ THE premises. Any person so ejected or excluded from the
19 premises of any licensee shall be denied admission to its premises and the
20 premises of all other licensees of the commission until permission for
21 entering has thereafter been obtained from the commission. The
22 commission may also exclude any person from ~~such~~ THE licensed
23 premises who willfully violates any of the provisions of this ~~article~~
24 ARTICLE 32 or any rule issued by the commission.

25 PART 9

26 REVIEW AND TERMINATION PROVISIONS

27 **44-32-901. [Formerly 12-60-901] Repeal of article - review of**

1 **functions.** This ~~article~~ ARTICLE 32 is repealed, effective September 1,
2 2023. ~~Prior to the~~ BEFORE ITS repeal, the division and its functions ~~shall~~
3 ~~be reviewed as provided for in~~ ARE SCHEDULED FOR REVIEW IN
4 ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

5 **SECTION 3. Repeal of relocated provisions in this act.** In
6 Colorado Revised Statutes, **repeal** article 60 of title 12.

7 **SECTION 4.** In Colorado Revised Statutes, 8-40-301, **amend** (8)
8 as follows:

9 **8-40-301. Scope of term "employee" - definition.** (8) For the
10 purposes of articles 40 to 47 of this ~~title~~ TITLE 8, "employee" excludes any
11 person who performs services for more than one employer at a race meet
12 as defined by ~~section 12-60-102 (22), C.R.S.~~ SECTION 44-32-102 (20), or
13 at a horse track as defined by ~~section 12-60-102 (11), C.R.S.~~ SECTION
14 44-32-102 (8).

15 **SECTION 5.** In Colorado Revised Statutes, 12-15.5-108, **amend**
16 (2) as follows:

17 **12-15.5-108. Authorization to conduct fantasy contests.**
18 (2) Fantasy contests are authorized and may be conducted by a fantasy
19 contest operator at a licensed facility at which pari-mutuel wagering, as
20 that term is defined in ~~section 12-60-102 (20.5)~~ SECTION 44-32-102 (18),
21 may occur. An operator of a class B track, as that term is defined in
22 ~~section 12-60-102 (4)~~ SECTION 44-32-102 (3), may conduct fantasy
23 contests if the operator is licensed as a fantasy contest operator.

24 **SECTION 6.** In Colorado Revised Statutes, 12-47-103, **amend**
25 (25) as follows:

26 **12-47-103. Definitions.** As used in this article 47 and article 46
27 of this title 12, unless the context otherwise requires:

1 (25) "Racetrack" means any premises where race meets or
2 simulcast races with pari-mutuel wagering are held in accordance with the
3 provisions of ~~article 60 of this title~~ ARTICLE 32 OF TITLE 44.

4 **SECTION 7.** In Colorado Revised Statutes, 12-47-901, **amend**
5 (5)(n)(I) as follows:

6 **12-47-901. Unlawful acts - exceptions - definitions.** (5) It is
7 unlawful for any person licensed to sell at retail pursuant to this article 47
8 or article 46 of this title 12:

9 (n) (I) To authorize or permit any gambling, or the use of any
10 gambling machine or device, except as provided by the "Bingo and
11 Raffles Law", part 6 of article 21 of title 24. This subsection (5)(n) does
12 not apply to those activities, equipment, and devices authorized and
13 legally operated pursuant to ~~articles 47.1 and 60 of this title 12~~ ARTICLE
14 47.1 OF THIS TITLE 12 AND ARTICLE 32 OF TITLE 44.

15 **SECTION 8.** In Colorado Revised Statutes, 13-4-102, **amend**
16 (2)(ee) as follows:

17 **13-4-102. Jurisdiction.** (2) The court of appeals has initial
18 jurisdiction to:

19 (ee) Review final actions and orders appropriate for judicial
20 review of the Colorado racing commission, as provided in ~~section~~
21 ~~12-60-507 (3), C.R.S.~~ SECTION 44-32-507 (4);

22 **SECTION 9.** In Colorado Revised Statutes, 13-21-119, **amend**
23 (4)(a) as follows:

24 **13-21-119. Equine activities - llama activities - legislative**
25 **declaration - exemption from civil liability.** (4) (a) This section shall
26 not apply to the horse racing industry as regulated in ~~article 60 of title 12,~~
27 ~~C.R.S.~~ ARTICLE 32 OF TITLE 44.

1 **SECTION 10.** In Colorado Revised Statutes, **amend** 16-2.5-121
2 as follows:

3 **16-2.5-121. Executive director of the department of revenue**
4 **- senior director of enforcement for the department of revenue.** The
5 executive director and the senior director of enforcement of the
6 department of revenue are peace officers while engaged in the
7 performance of their duties whose authority includes the enforcement of
8 laws and rules regarding automobile dealers pursuant to section 12-6-105
9 (3), the lottery pursuant to sections 24-35-205 (3) and 24-35-206 (7),
10 medical marijuana pursuant to article 43.3 of title 12, limited gaming
11 pursuant to section 12-47.1-204, liquor pursuant to section 12-47-904 (1),
12 and racing events pursuant to ~~section 12-60-203 (1)~~ SECTION 44-32-203
13 (1), and the enforcement of all laws of the state of Colorado and who may
14 be certified by the P.O.S.T. board.

15 **SECTION 11.** In Colorado Revised Statutes, **amend** 16-2.5-126
16 as follows:

17 **16-2.5-126. Director of racing events - racing events**
18 **supervisor - racing events investigator.** The director of racing events,
19 a racing events supervisor, and a racing events investigator are peace
20 officers while engaged in the performance of their duties whose primary
21 authority shall be as stated in ~~section 12-60-203 (1), C.R.S.~~ SECTION
22 44-32-203 (1), and shall also include the enforcement of all laws of the
23 state of Colorado and who may be certified by the P.O.S.T. board.

24 **SECTION 12.** In Colorado Revised Statutes, 18-9-202, **amend**
25 (2)(a.5)(VII) as follows:

26 **18-9-202. Cruelty to animals - aggravated cruelty to animals**
27 **- service animals.** (2) (a.5) (VII) This ~~paragraph (a.5)~~ SUBSECTION

1 (2)(a.5) does not apply to the treatment of pack or draft animals by
2 negligently overdriving, overloading, or overworking them, or the
3 treatment of livestock and other animals used in the farm or ranch
4 production of food, fiber, or other agricultural products when ~~such~~ THE
5 treatment is in accordance with accepted agricultural animal husbandry
6 practices, the treatment of animals involved in activities regulated
7 pursuant to ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44, the
8 treatment of animals involved in research if ~~such~~ THE research facility is
9 operating under rules set forth by the state or federal government, the
10 treatment of animals involved in rodeos, the treatment of dogs used for
11 legal hunting activities, wildlife nuisances, or to statutes regulating
12 activities concerning wildlife and predator control in the state, including
13 trapping.

14 **SECTION 13.** In Colorado Revised Statutes, **amend** 18-10-108
15 as follows:

16 **18-10-108. Exceptions.** Nothing contained in this ~~article~~ ARTICLE
17 10 shall be construed to modify, amend, or otherwise affect the validity
18 of any provisions contained in articles 9 AND 47.1 ~~and 60~~ of title 12
19 ~~C.R.S.~~ AND ARTICLE 32 OF TITLE 44.

20 **SECTION 14.** In Colorado Revised Statutes, 19-2-918.5, **amend**
21 (5) as follows:

22 **19-2-918.5. Sentencing - animal cruelty - anger management**
23 **treatment.** (5) This section does not apply to the treatment of pack or
24 draft animals by negligently overdriving, overloading, or overworking
25 them, or the treatment of livestock and other animals used in the farm or
26 ranch production of food, fiber, or other agricultural products when ~~such~~
27 THE treatment is in accordance with accepted animal husbandry practices,

1 the treatment of animals involved in activities regulated pursuant to
2 ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE 44, the treatment of
3 animals involved in research if ~~such~~ THE research facility is operating
4 under rules ~~and regulations~~ set forth by the state or federal government,
5 the treatment of animals involved in rodeos, the treatment of dogs used
6 for legal hunting activities, or to statutes regulating activities concerning
7 wildlife and predator control in the state, including trapping.

8 **SECTION 15.** In Colorado Revised Statutes, 24-34-104, **amend**
9 (24)(a)(II) as follows:

10 **24-34-104. General assembly review of regulatory agencies**
11 **and functions for repeal, continuation, or reestablishment - legislative**
12 **declaration - repeal.** (24) (a) The following agencies, functions, or both,
13 are scheduled for repeal on September 1, 2023:

14 (II) The division of racing events, including the Colorado racing
15 commission, created by ~~article 60 of title 12, C.R.S.~~ ARTICLE 32 OF TITLE
16 44;

17 **SECTION 16.** In Colorado Revised Statutes, 24-35-603, **amend**
18 (1) as follows:

19 **24-35-603. Definitions.** As used in this part 6, unless the context
20 otherwise requires:

21 (1) "Licensee" means a licensee as defined in ~~section 12-60-102~~
22 ~~(17), C.R.S.,~~ SECTION 44-32-102 (14) or an operator or retail gaming
23 licensee under section 12-47.1-501 (1)(b) or (1)(c). ~~C.R.S.~~

24 **SECTION 17.** In Colorado Revised Statutes, 24-35-606, **amend**
25 (1) as follows:

26 **24-35-606. Liability - immunity.** (1) A licensee that fails to
27 comply with the provisions of section 24-35-605 shall be subject to

1 sanctions by its licensing authority pursuant to sections 12-47.1-525 (1)
2 and ~~12-60-507 (1), C.R.S. 44-32-507 (1).~~

3 **SECTION 18.** In Colorado Revised Statutes, 26-2-104, **amend**
4 (2)(a)(II)(A) as follows:

5 **26-2-104. Public assistance programs - electronic benefits**
6 **transfer service - joint reports with department of revenue - signs -**
7 **rules - repeal.** (2) (a) (II) Only those businesses that offer products or
8 services related to the purpose of the public assistance benefits are
9 allowed to participate in the electronic benefits transfer service through
10 the use of point-of-sale terminals. Clients shall not be allowed to access
11 cash benefits through the electronic benefits transfer service from
12 automated teller machines in this state located in:

13 (A) Licensed gaming establishments as defined in section
14 12-47.1-103 (15), ~~C.R.S.~~, in-state simulcast facilities as defined in ~~section~~
15 ~~12-60-102 (14), C.R.S.~~ SECTION 44-32-102 (11), tracks for racing as
16 defined in ~~section 12-60-102 (26), C.R.S.~~ SECTION 44-32-102 (24), OR
17 commercial bingo facilities as defined in section 12-9-102 (2.3); ~~C.R.S.~~;

18 **SECTION 19.** In Colorado Revised Statutes, 31-15-401, **amend**
19 (1)(o) as follows:

20 **31-15-401. General police powers.** (1) In relation to the general
21 police power, the governing bodies of municipalities have the following
22 powers:

23 (o) To enact and enforce ordinances prohibiting gambling and the
24 use of any gambling device, as ~~said~~ THE terms are defined in section
25 18-10-102, ~~C.R.S.~~, in a park, on a public way, or on a street; except that
26 in enacting and enforcing ~~said~~ THE ordinances, a municipality,
27 notwithstanding any other provision of law to the contrary, may also

1 prohibit social gambling in or on parks, public ways, or streets. Nothing
2 in this ~~paragraph (o)~~ SUBSECTION (1)(o) shall be construed as prohibiting
3 pari-mutuel betting or wagering under ~~article 60 of title 12, C.R.S.~~
4 ARTICLE 32 OF TITLE 44.

5 **SECTION 20.** In Colorado Revised Statutes, **amend** 35-65-116
6 as follows:

7 **35-65-116. Race meets - dates - licenses - fees.** (1) The board is
8 authorized to obtain a license to conduct horse race meets at the Colorado
9 state fair and industrial exposition pursuant to ~~article 60 of title 12, C.R.S.~~
10 ARTICLE 32 OF TITLE 44. For the purposes of this section, the limitations
11 in ~~section 12-60-511, C.R.S.~~, SECTION 44-32-512 shall not apply, and
12 ~~such~~ THE horse race meets shall be conducted as approved by the
13 Colorado racing commission at ~~said~~ THE Colorado state fair and industrial
14 exposition during its duration.

15 (2) In lieu of obtaining a license to conduct a horse race meet, the
16 board is authorized to contract for the conduct of horse race meets at the
17 Colorado state fair and industrial exposition with a private, nonprofit
18 person licensed to conduct horse race meets within forty miles of the state
19 fair grounds, subject to authorization by the Colorado racing commission
20 pursuant to ~~section 12-60-511, C.R.S.~~ SECTION 44-32-512. The meet and
21 the race days of the meet conducted at the Colorado state fair and
22 industrial exposition shall be in addition to the number of meets and race
23 days permitted the licensee pursuant to ~~section 12-60-603, C.R.S.~~
24 SECTION 44-32-603.

25 **SECTION 21.** In Colorado Revised Statutes, **amend** 38-13-108.8
26 as follows:

27 **38-13-108.8. Property held by racetracks - inapplicability.** This

1 ~~article~~ ARTICLE 13 shall not apply to any intangible unclaimed property
2 held by a racetrack, as that term is defined in ~~section 12-60-102 (26),~~
3 ~~C.R.S.~~ SECTION 44-32-102 (24).

4 **SECTION 22.** In Colorado Revised Statutes, 39-21-102, **amend**
5 (2) as follows:

6 **39-21-102. Scope.** (2) The provisions of this ~~article~~ ARTICLE 21
7 apply to the taxes imposed pursuant to articles 46 AND 47 ~~and 60~~ of title
8 ~~12 C.R.S.~~ AND ARTICLE 32 OF TITLE 44, but only to the extent that the
9 provisions of this ~~article~~ ARTICLE 21 are not inconsistent with the
10 provisions of articles 46 AND 47 ~~and 60~~ of title 12 ~~C.R.S.~~ AND ARTICLE 32
11 OF TITLE 44.

12 **SECTION 23. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly (August
15 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within such period, then the act, item, section, or part will not take effect
19 unless approved by the people at the general election to be held in
20 November 2018 and, in such case, will take effect on the date of the
21 official declaration of the vote thereon by the governor.